THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, SEPTEMBER 11, 1937 | 10c a Copy; $5.00 a Year | No. 37

The Nation's Business

- Rural Alberta on Mr. Aberhart
- Minority Premier
- Post Surveys Opinions in the Province
- Will Taxpayer be Forgotten Man at Finance Probe?
- Quebec's Surplus Ignores Many "Special" Expenses

What Alberta Thinks About Mr. Aberhart

WHERE do Premier Aberhart and Social Credit really stand with the people of Alberta?

Observers in the principal cities—Edmonton, Calgary, Lethbridge and Medicine Hat—are of the opinion that there is no longer any substantial body of urban opinion that retains either faith in Social Credit or respect for the Government.

However, in Alberta as in so many other provinces, what the cities think is not necessarily what the country folk think; and the country folk, in the smaller hamlets and on the farms, determine election results.

The Financial Post has gone to the 60-odd country weekly editors of Alberta to find out what Alberta really thinks of its prophet-premier. The results of the survey are published elsewhere in this issue. It is revealed that both Aberhart and his monetary gospel are not on the downgrade but that they still command much public favor, sufficient to be the basis of victory in an election campaign if Premier Aberhart decided to go to the country at once instead of waiting out his full term of office.

This opinion is important and significant.

* * *

ALMOST equally important are two other things that the survey has brought out.

First, is the fact that support for Aberhart is less of the character of popular favor for the premier and his policies than of continued discontent with difficulties of debt, drought and distress. Aberhart's flair for schemes of magic provides for many people an escape from the reality of unsolved economic problems.

Second, is the fact that Aberhart's strength is a minority strength and exists because of lack of unity among the Opposition, who between them can control about 60% of the support and votes of the opposition in the country.

The survey may provide rather unpleasant reading for those who have come to the conclusion—without an adequate study of public opinion in Alberta—that Mr. Aberhart and his crazy monetary notions have completely lost out with Albertans; that he is already ticketed for the political garbage pile. That point in his career has not yet been reached. Desperate he may be, but it is not yet the desperation of lost hope. Aberhart is still a force to be reckoned with.

* * *

WHAT the weekly editors, calm, well-informed, public spirited men, have to say about the situation ought to be studied very carefully by everyone with a financial stake in Alberta or an interest in national citizenship.

The continuance of discontent in the province calls for renewed searching out of root causes and efforts at their remedy. The Royal Commission on Public Finance will uncover a great deal of useful material on the financial burdens of government in the province. The life insurance companies, the mortgage companies, and the banks, which have mobilized the savings of Canadians in every part of Canada and loaned them generously to the farmers of Alberta, will find it necessary to continue their efforts to seek a solution of debt problems. These debt problems are the product, not of "High Finance," or of the venality of the "Money Power," but of a depression that followed both a Great War and a period of abounding optimism that was shared by borrowers as well as lenders. Public and private debts in Alberta are as much the problem of lenders as of borrowers and, in fact, the sacrifices and losses that will finally compromise them will rest entirely upon the lenders.

In Saskatchewan and Manitoba more progress has been made in debt settlement than in Alberta. But difficult and unrewarded as debt settlement may be in a province struck with economic lunacy, it must go ahead.

* * *

THE fact that Aberhart holds office by the sanction of the minority should also demonstrate how important it is that party lines and class conflicts should be submerged in Alberta in order that all those desirous of displaying good citizenship should have a standard around which to rally in asserting the will of the intelligent majority. The country editors seem to find in E. L. Gray, the new Liberal leader in the province, the most satisfactory rallying point for anti-Aberhartian majority opinion. Mr. Gray, reversing the previous Liberal policy of party insularity, has invited the support and co-operation of all groups. It is obvious that his overtures should be generously acknowledged by Conservatives, U. F. A. groups, the People's

(Continued on page 2, col. 3)

Rowell Board Plans to Make Double Probe

Experts to Reduce Provincial Claims to Common Denominator

SURVEY STARTS

From Our Own Correspondent

OTTAWA.—The Royal Commission on Dominion-Provincial relations finally got under way this week in a private sitting devoted entirely to the problem of its future procedure.

From the meeting this definite prospect materialized: that the enquiry will be of a dual nature throughout, partly by means of public sittings held in each of the provincial capitals, and partly by independent investigations carried out by the extensive staff of experts which the Commission will have available to it.

Conduct Own Researches

The broad intention is to ensure thoroughness. Not only will all the provinces have the fullest opportunity of submitting their cases for consideration, but the Commission itself will have its technical staff examine carefully the provincial data which are offered and conduct its own researches.

There will be an important difference between the submissions of the provinces themselves and the investigations which the Commission's own staff carries out. The former will be essentially a statement of the claims of each individual province for preferential treatment. The work of the Commission's technical staff will constitute the first attempt since Confederation to reduce all the provinces to a single common denominator, recognizing the comparative disadvantages under which some of them operate and the advantages enjoyed by others.

D. A. Skelton, head of the research department of the Bank of Canada, will be chief technical adviser to the Commission, as well as its secretary. He is one of the younger and one of the ablest economists on Parliament Hill. Other experts have not been announced. It is assumed, however, that the Government will be agreeable to loaning the enquiry any of its own men and that some of the leading university professors of the country will be called in before the work is finished.

Find Common Basis

The first task, it is stated, will be to collate all the financial data associated with each province upon some common basis which will make comparison possible. This is a huge project which is expected to consume some little time. After it is completed, however, it is believed that the way will be clear before the Commission to proceed without further loss of time to the completion of its enquiry.

The Commissioners undertake their duties with the specific knowledge that they enjoy the full support of the Ministry, and of the Prime Minister in particular. The final moments before their first meeting were rendered somewhat electric with the protests of Premier

(Continued on page 2, col. 1)

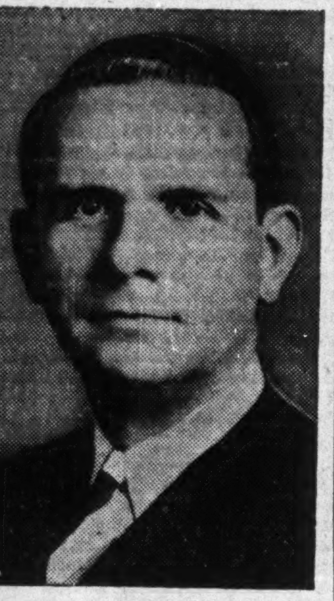
Old Ontario

Many are the jibes and left-handed compliments that come the way of central Canada, and especially Ontario from western and maritime citizens of Canada.

All Canadians pay tribute nevertheless to the accomplishments and international renown of Old Ontario and to the important rôle it has played and continues to play in Canadian affairs.

Next week The Financial Post will devote a special section to telling the story of industrial opportunities which abound in this key area of the Dominion. Will tell why, for example, two thirds of the branch plant development in Canada have centred in this province despite the fact that on a strict population basis the province claims only one third of the Canadian total. The story will be told from a purely industrial point of view; will be a crisp picture of the province's industrial development and potentialities. (Next week in The Financial Post.)

Certain Comeback For West is Seen By Industrialist



J. S. DUNCAN

Business Body Hears of Need Of Importation

Convention Told Canada Needs Influx of People, Goods

From Our Own Correspondent

VANCOUVER — Advocacy of a greater flow into Canada of visitors, potential citizens and goods from other countries was the keynote of the "International Relations" forum which constituted one of the feature sessions of the Canadian Chamber of Commerce convention here this week.

Three of the plenary meetings of the assembly were devoted to addresses and discussion under the main headings of "Public Relations," "National Relations" and "International Relations." The last mentioned subject was the topic of addresses by E. H. Adams, of Vancouver, on tourist trade; W. J. Black, of Montreal, director of colonization and agriculture, Canadian National Railways, on immigration; and H. R. MacMillan, of Vancouver, exporter, on Empire and foreign trade.

Mr. Black stressed the urgency of resumed immigration and more population if Canada was to fulfill "the destiny that nature intended for us." He warned against a laissez-faire attitude which, he feared, would mean that "we shall stand still or go back." A parallel view in regard to trade was taken by Mr. MacMillan, who insisted that British Columbia in particular and Canada generally must buy more from Empire and foreign countries if markets in those countries were to be kept open and export-import trade stabilized.

Buy From Empire

British Columbia should endeavor to buy from Empire countries rather than from eastern Canada, Mr. MacMillan felt. He said:

"We sell chiefly in Empire markets by tariff advantage extended to us for a term of years, as a family gesture, and not because of, although perhaps in expectation of, reciprocal services or performances by us. We have been active in selling in, but passive in buying from Empire countries. This may be due partially to neglect of our market by those in Great Britain or Australia who expected to sell here. But so long as we are overwhelmingly dependent on Empire markets, we must remember that preferences are not necessarily permanent.

The Open Door

"We can maintain the open door only by passing goods through it both ways. We here in British Columbia must use our purchasing power deliberately to that end. So long as we sell twice as much to Empire markets as we do to eastern Canada, we must try to buy where we sell, particularly as we know eastern Canada can't and won't buy what we now sell to

(Continue on page 5, col. 5)

J. S. Duncan Confident in Saskatchewan's Powers of Recovery

Confident of the capacity of Western Canada to return to prosperous farming, J. S. Duncan, vice-president and general manager of the Massey Harris Co., after an extensive trip through the prairies, takes sharp issue with critics of farmers' methods.

Disastrous conditions of the past few years are 98 per cent the result of nature; only two per cent the fault of the farmer, he says, answering the article of A. G. Street, British writer in the Aug. 21 issue of The Financial Post.

Dust storms and soil drifting he says can be attributed to "good farming" methods. In the first years of the drought farmers cultivated their lands more intensively and as drought continued the surface blew away. Advanced methods are changing this. Crops are being sown right on the stubble without plowing.

By J. S. DUNCAN,
Vice-president and General Manager of Massey-Harris Co.

It is difficult to exaggerate the tragedy of the 1937 drought in the provinces of Saskatchewan and southeastern Alberta—tens of thousands of acres of parched land without a semblance of a crop, men and machines idle because there is no work to be done in this usually busy harvest season, lakes dried up, river beds grown over with weeds, leafless trees dying for lack of moisture, an abundant growth of Russian thistle which here and there is being gathered up to serve the purpose of fodder for the few remaining cattle, and everywhere farmers on relief with no work to which they can turn their hands, no means of earning their living—nothing but enforced idleness.

This is the situation that exists today in varying degrees throughout the drought areas. The problem has been accentuated in 1937, partly because under the influence of high cereal prices and improved conditions generally throughout the world, a feeling of optimism was abroad this spring, and farmers gathered their last resources to buy seed and equipment to put in a large crop, with the disappointing results with which we are acquainted. Is it any wonder that these men, accustomed as they have become to adversity, should be temporarily giving way to discouragement? Some, who have lost hope, are abandoning both home and land, and migrating to the East or to the Pacific coast, but on the whole these are few, and the majority are staying on with their faith shaken perhaps, but confident on the whole that the land which has produced good crops in the past will do so again.

Is the Farmer Wrong?

Are they wrong? I, for one, do not believe that they are. I think that once more the proverbial common sense of the man who makes his living by tilling the soil will be vindicated. Let us examine the situation:

What matters most is not so much the calamitous conditions at present existing in the dry areas as what the future holds in store for them.

So much has been said by well-intentioned but frequently misinformed parties that is inaccurate, so many remedies have been suggested that are not practicable, and so many distorted facts have been stated, that it is not easy to form a clear opinion of what the future is likely to be.

It is commonly stated, for instance, that the West is suffering in 1937 from its eighth year of drought. This, of course, is not so. Yields in 1932 were good, but unfortunately prices were bad, and it was rust in 1935 more than drought which destroyed the crop in most sections of the Prairie Provinces.

Land Not "Farmed Out"

Another statement frequently made is that the land in western Canada has been "farmed out" or impoverished through insufficient rotation of crops—in other words, that the farmer has not done his job properly. Generally speaking this is not so. There are undoubtedly many submarginal areas in southern Saskatchewan and Alberta which could have more profitably remained in their original state of range lands, and probably will have to return to this condition, but I maintain that these submarginal areas are far from constituting the real problem of the West, and that it can be safely stated that under the western method of summer fallow the productivity of the soil is not in question.

The capacity to grow wheat in western Canada, as in all other wheat-growing countries, cannot be accurately gauged by the annual precipitation alone; the nature of the soil must also be taken into consideration, and it is frequently the case that rainfall which is sufficient to produce a crop in heavy lands is quite insufficient in light soil.

Experience has shown, however, that there are certain districts in the drought areas of Saskatchewan and Alberta which owing to the nature of their soil and the amount of precipitation received annually, can definitely be classed as hazardous from a wheat-producing standpoint, and the soundest policy in the long run might well be their return to range lands. It is my belief, however, that these areas are but of relative importance, and that given sufficient rainfall the wheat yield per acre in the Prairie Provinces as a whole will give no grounds for disappointment.

Much gratuitous advice has also been generously given farmers in the

(Continued on page 15, col. 6)

Anti-Aberhart Forces Gaining Election Seen

Early Vote Advocated to Head Off Union of Opposition

REPORTS CONFLICT

From Our Own Correspondent

EDMONTON.—Opposition to the Aberhart Government has taken on a more determined aspect and is being expressed in a more vigorous temper, than at any time since Social Credit came to power two years ago.

This has been the main development in Alberta during a period of waiting for the next move from the Aberhart Government in attempting to enforce its disallowed bank legislation, which Premier Aberhart said would be undertaken "immediately," but of which no sign has been forthcoming.

Undeclared Campaign

Chief occupation of Social Credit government leaders has been making speeches, in a campaign that is taking more and more the color of an appeal for votes. With opposition forces, represented more by spontaneous organization of protests against Social Credit threats against the constitution than by formal political groups, actively attempting to offset government propaganda, Alberta is experiencing an undeclared election campaign.

As the situation develops, the prospect increases of the Aberhart Government seeking a snap judgment from the electorate while the public has still not thoroughly appraised the situation created by Ottawa's veto. A significant change coming recently is that the likelihood of an election is accepted widely in Social Credit circles, which up to a short time ago scoffed at the idea. Social Crediters, it is noted, have been almost as much in the dark about the objects of recent Aberhart "strategy" as everyone else. His own followers are wondering what Mr. Aberhart is up to, and the election is beginning to look like the best bet.

One reason for an election lies in the fact, plain to the Government and many of its supporters, that the Social Credit administration, through recent defiant utterances, has raised about it in Alberta the most formidable, popular movement of protest against it that it has had to contend with in its career thus far. Delay in an election would give this movement time to crystallize into an effective and united political force. Such a force does not exist today in Alberta, but the signs indicate it is on the way, and the wisdom of an election beforehand is obvious to many Social Crediters.

May Forget Special Session

Other factors pointing to an election include the delay in calling the special session of the legislature announced some time ago by Premier Aberhart for the "immediate" future. The Government is obviously hesitating before adopting the plan of dealing with the situation created by Ottawa's veto, through new

(Continued on page 2, col. 3)

Prov. Paper Earnings Up

Abitibi Subsidiary Likely to Show Best Results Since 1930

Net income of Provincial Paper Ltd. as reported by the management for the first six months of this year was $177,506 after charging depreciation at the rate of $100,000 annually and after providing for preferred dividends and all taxes except income tax.

The earnings figures for the half year show coverage of interest on the outstanding 5½% bonds nearly four times after depreciation.

Allowing for income taxes, the half year's figures indicate an annual rate of earnings more than twice the dividend requirements for the 7% preferred stock.

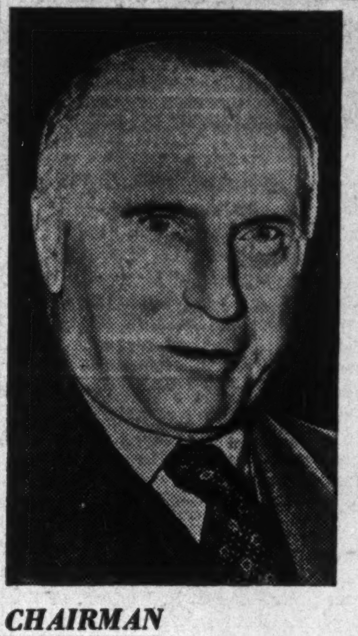
These figures compare with actual results in 1936 showing earnings equivalent to 3.06 times bond interest after depreciation and $11.38 a share for the preferred.

Control By Abitibi

Provincial Paper is controlled by Abitibi Power & Paper Co. which owns the 100,000 shares of Provincial common stock. The shares are carried at $1,500,000 in the Abitibi accounts, and have been appraised at a higher value. There is a possibility that Abitibi will dispose of its holdings of Provincial Paper shares if the Abitibi reorganization plan is adopted because the fine paper business conducted by Provincial is regarded as more or less unrelated to Abitibi's newsprint and sulphite pulp business.

The rate of Provincial earnings for the first half of 1937 indicates profits for the full year close to $3 a share on the stock held by Abitibi after allowing for income taxes. It appears likely that Provincial will report the best results this year since 1930 when earnings amounted to $14.75 a share on the 7% preferred and $2.71 a share on the common.

Control of Provincial Paper was acquired by Abitibi in January, 1930, by exchange of 100,000 Abitibi common shares, then worth $35 a share, for all the Provincial common stock. The Abitibi shares have subsequently shrunk to less than one-seventh of the 1930 price. Since 1930 Abitibi has received two dividends of $1 a share, or $200,000 in all, on its Provincial Paper holdings.



CHAIRMAN

Hon. R. C. Matthews, of Toronto, who as president of the Canadian Chamber of Commerce has been directing the sessions of the chamber convention at Vancouver this week. (Staff photo)

Aid to Unions To Be Urged Again in B.C.

Government Still Opposed to C.C.F.-Labor Proposal

From Our Own Correspondent

VANCOUVER.—It is reported that a new trades union legalizing bill will be introduced at the fall session of the Legislature with the support of C.C.F. and Labor members. A similar measure was introduced by Harry Winch, C.C.F. member, a year ago and voted out. The Government will not support the proposed new bill.

The American Federation of Labor has met with some success in organizing the pulp and paper industry in British Columbia. Employees of Powell River Company and Pacific Mills, the two largest operating units, are now considering a new wage agreement providing for a basic hourly rate of 51 cents for white labor and 41 cents for Oriental labor. Provision is made in the agreement for a further increase to 54 cents an hour next January when a higher price for newsprint becomes effective.

Loggers Avoid Trouble

Labor trouble in the logging industry was possibly averted by the change in market conditions which prompted most of the larger camps to shut down their woods operations for several weeks. High freight rates broke the market overseas for British Columbia lumber. With logging profits reduced by curtailment in demand, the labor organizers evidently reached the conclusion that it was a poor time to force any new wage issue on the operators.

Longshore labor conditions on this coast have been uncertain for several years. Reopening of the controversy between the American Federation and Harry Bridges' wing of the C.I.O. is regarded with concern here. The same conflict between labor organizations has disrupted the lumber industry in Oregon and may spread north.

Vancouver longshoremen are so far without affiliation with the larger American unions, although the International Longshoremen's Association has attempted to gain a foothold here. In Victoria this week a new stevedoring company was organized, ostensibly friendly with the I.L.A., to load and unload American transpacific ships. Without affiliation with United States unions, Victoria longshoremen were blacklisted by longshore crews in Seattle and other American ports, making it necessary for American steamship lines to carry freight bound for Canada to American ports for discharge.

No Intimidation

Indicating that the Government will have little to do with any move

(Continued on page 5, col. 4)

Stocks Collapse On Fear of War As London Sells

Gunnar Gold Output Rises

August production from Gunnar Gold Mines, Central Manitoba producer, totalled $54,152, from 4,510 tons milled, A. H. C. Beairsto, director, informs The Financial Post.

This is by far the highest monthly production shown by this mine, and compares with an output of $49,641 in July, and $45,362 a year ago. Average grade in August was $12.42 per ton, with mill tailings running around 41 cents per ton. The mill handled an average of 145.5 tons per day, and ran 98.9% of the operating time.

Mr. Beairsto also stated that the financial position, ore reserves, and cost picture of this producer were the best in its history. A year ago Gunnar Gold owed approximately $200,000, and today, Mr. Beairsto stated, the company has over $200,000 in its treasury.

Gunnar's mill turned over for the first time in May, 1936. Declaration of a dividend is expected in the not distant future.

See Aberhart Losing Ground

Ottawa Hears Alberta Premier Slipping — Fears Election

From Our Own Correspondent

OTTAWA.—During the past fortnight the Federal Liberal Government has been in close touch with trusted sources in Alberta which have been preparing for it an analysis of the political situation there—with instructions to make it both impartial and realistic. Here is the story as the ministry receives it, differing sharply from the views of Alberta weekly newspaper editors as reported on the front page, second section:

The Aberhart Government has become so unpopular with the great mass of the people that Premier Aberhart has abandoned all thought of an early election. The Social Credit ministry today could be overturned by a well-organized provincial Liberal party with the same ease with which the Anderson Government was defeated in Saskatchewan a few years ago.

Always an astute politician, Premier Aberhart—according to the confidential word which the Federal Cabinet has received—recognizes his position. He will hang on for the three years of his term which remain. Furthermore, he is most unlikely to call the special session of the legislature which he threatened immediately after his banking legislation was disallowed.

Public reaction to the Federal disallowance, the Albertan report to the Cabinet finally states, has been favorable in the extreme.

Car Sales Mount Despite Drought

Despite the drought, General Motors of Canada are reopening their western Canada plant in Regina, prepared to sell more cars and trucks on the prairies than last year. The plant will assemble 12,000 cars and trucks. In 1932 the motor industry sold 9,000 cars in the West. This figure has grown steadily since, but is still below the West's normal requirements.

Economic Conditions Still Considered Good, "Barring War"

OUTLOOK UNCERTAIN

Something akin to bewilderment struck financial and investment communities this week over the unexpectedly sudden slump in stock markets. Nervousness was particularly apparent in that bond markets also sagged.

Heavy liquidation of stocks on Toronto, Montreal and New York markets was reported to come largely from European sources, particularly from London where there has been something of a speculative boom for two years.

While explanations are legion, most of them can be condensed under two headings:

1. Technical position of stock markets.
2. The wide extent of international friction heightening the war scare.

War Scare

War scares have occurred from time to time for the past two years, and it is possible that in the course of a few weeks the sudden decline of stocks can be explained as just another swing of the market pendulum. But the current war scare has concerned most of Europe and Asia, and it may be that stock markets are anticipating another 1914.

A striking feature of the situation is that business and investment services are practically unanimous in looking for extension of the economic recovery that has been in progress in North America for five years.

Combination of Factors

A commentary on the combination of technical and war scare factors by one investment service is:

"While assurance is not present that the current decline has culminated, we do not feel stocks should be disposed of at current levels. The extent of the decline is partly attributable to thinness of markets. A sharp rally is possible at any time if a favorable turn in the 'war news' develops."

Considering first the technical position of stock markets, readers of The Financial Post will recall that the month-to-month trend of share prices was confirmed as downward early in April when averages smashed through the previous low points established in March. Then, after reaching new low levels, stocks enjoyed a natural recovery up to the middle of August.

Recession Anticipated

It was suggested then that a recession would be in order before any further advance could be considered. It has come, with a vengeance. Instead of holding at the low levels established earlier this year, stock averages have broken through those points, once more confirming the month-to-month trend as downward

How far down will prices go?

Does the decline signal the beginning of another major slump?

Those questions, in the last analysis, can only be answered by the stock market itself. Although there are various theories of stock market forecasting, none of them is satisfactory in measuring the precise extent of possible decline. While every down-turn in stock carries with it the implication that another business depression may be signalled, the best authorities consider such a development unlikely.

Extent of Decline

In discussing the possible extent of the declining trend that started in stocks last March, one of the few suggestions as to how far it might extend was about 10% below recent figures for stock market averages. That would mean a level of around 150 for the Dow-Jones industrial average in New York compared with a high of 194.4 this year. It might mean something like 140 for the Toronto Stock Exchange average compared with a high of 187.7 and 90 or less for the Montreal Stock Exchange index against a high of 122.2.

Market analysts consider it likely that considerable time will elapse, with intermittent falling and rising prices, before it will be clear whether the decline is being terminated.

Favorable Factors

"Barring war." That is the phrase used in the past year or two by most observers who have analyzed the long-term outlook as favorable for common stocks. "Barring war," the principal economic factors that have been cited as favorable to further business improvement and higher stock prices over the next two or three years are these:

1. Expansion of bank credit with accompanying low interest rates.
2. Inflationary influences in devaluation of currencies and government deficits, particularly in the United States.
3. Improvement in income of primary producers in agriculture and forestry, etc., through establishment of a more equitable balance of prices between primary and manufactured goods.
4. Creation during the depression of a back-log of demand for renewal of capital equipment such as machinery which has been augmented by the increasing volume of business.

Mass Psychology

Those major economic influences remain, but the fear of war has been a factor of more immediate importance in the stock market. Mass

(Continued on page 2, col. 5)

End of Drought Cycle Seen As Fall Rains Come to West

From Our Own Correspondent

WINNIPEG.—With fairly generous August rains all through the West feeling is beginning to prevail that the great cycle of dry years has ended. But hopes for a fair return next year in the really dry areas will be based on moisture received this fall.

It is, of course, possible for the West to get a good crop entirely from the rains which fall during a growing season, and without dependence on reserves carried forward. That, in fact, was largely the experience of Manitoba and of a good deal of Alberta this year. But, for such a result, it is necessary not only for rains to be adequate, but to be well timed. Large parts of Saskatchewan had sufficient moisture this year to have produced a fair crop, had the distribution of the moisture been different. A complete lack of sub-soil moisture, however, left the crops without ability to hold out from one rain to another.

Summer Fallow

Nothing better illustrates the reliance of this country on moisture carried over from one year to another than the practice of summer-fallowing. It is a universal custom to keep a large part of the wheat area, sometimes up to 50%, in fallow. The objective is to kill weeds and conserve moisture, the theory being that if there is no growth permitted any moisture that falls will be conserved for crop in the following year. While only a small part of the rain that does fall is actually so conserved, it is usually sufficient to materially improve the crop the season after fallowing.

Summerfallowing done last year in the driest parts of Saskatchewan, however, had little effect because there was so little moisture to conserve. The same applies to summerfallowing done in 1937, for this summer the sub-soil throughout the greater part of the province reached a degree of dryness hitherto unknown.

Need More Reserve

The hope of Saskatchewan farmers is that before freeze-up, several inches of rain may fall, and after soaking the ground to a satisfactory depth surplus may be locked in the soil until called on by next year's crop. If that occurs, there is sure to be a great deal of confidence as to next year. If it does not, there will still be hopes, but mingled with a good deal of fear.

Highlights

Alberta Sees Aberhart

What does Alberta really think of Aberhart? The editors of Alberta's weekly newspapers give the answer. Page 11

Blaylock on Labor, Taxes

The general manager of Consolidated Mining & Smelting Co. gives his views on current problems and their solution. Page 18

Profit-sharing Plans

Principle of sharing prosperity with the workers is the basis for the varying plans operating in Canadian industry. Page 10

Heading Off the Next Crash

Sir George Paish sees danger signals in the world of economics and proposes remedial measures. Page 20

Country Estates

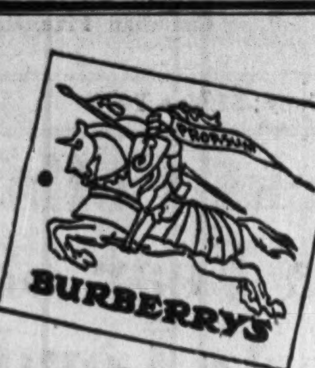
Life on a farm is attracting an increasing number of wealthy city dwellers who will find many suggestions on establishing their country estates on pages 8 and 9.

Boom in Sweden

Sweden is now working to control a "serious boom" which private industry is maintaining after it was generated by planned economics. Page 10

REGULAR FEATURES

Investment Trends 4
Bond Markets 5
Editorial 6
Week in Business 7
Investors' Enquiries 12
Investors' Index 12
Construction 13
Insurance 16
Banking 17
Week in Mining 18



MEN'S SHOP

Our
NOTABLE RANGE
of BURBERRYS
for FALL 1937
now awaits your attention!

Recent shipments from England have still further increased the Men's Shop's very wide range of the famous Burberry coats, so that we are now able to offer you a most extensive choice of both topcoats and overcoats in all sizes from 35 to 46. Styled in the inimitable Burberry manner, they are available in a superlative selection of Burberry English woollens, including "showerproof" models.

BURBERRY COATS
45.00—55.00—65.00

These coats may be purchased on EATON'S Budget Plan if desired.

Phone AD. 5011 or AD. 5511
BAY STREET SECTION

EATON'S-COLLEGE STREET

Gigantic Housing Project Costly to U. S. Taxpayer

The $700 millions state-subsidized slum clearance and housing project proposed in U.S. government housing legislation has been misrepresented as self-supporting, says the Whaley-Eaton Service.

Contrary to the statement of the New York Times that the whole $700 millions will ultimately be repaid "without major loss to the taxpayer," Whaley-Eaton declares that the entire cost of the plan will be paid by the taxpayer and that the legislation does not contemplate repayment from any other source.

The bill is probably a striking example of what should be avoided in similar housing schemes for Canada. It proposes to make housing loans to localities, and each year to provide subsidies sufficient to pay the estimated interest and to amortize the loan in 60 years.

But every cent of interest and amortization is to come from the Federal treasury, Whaley-Eaton declares. Whatever rents are obtained from the properties are to go merely for current expenses such as upkeep and management. No return is provided for the U.S. Government which proposes to borrow the $700 millions and give its own commitment in the form of unconditionally guaranteed bonds (principal and interest) to service and amortize the debt.

According to the Whaley-Eaton Service the U.S. treasury fought the measure when it was first proposed but government pressure has overcome the treasury's objections. No immediate result is expected from the project this year, although estimates place the second year's expenditures around $250 millions of the $700 millions.

Rowell Commission Plans Dual Enquiry First Meeting Held

(Continued from page 1)

William S. Aberhart against their personnel. Prime Minister King, however, assured Mr. Aberhart that his fears lest the Commission should be a device designed to force loan councils upon Alberta were groundless.

The Prime Minister reminded Mr. Aberhart in one of two brief letters totalling 48 lines which answered two epistles of 2,000 words each which the Social Credit Leader had sent him: "The Commission has no authority other than that which may derive from the force and reasonableness of the report it will present. What action it may be desirable to take upon the report can be decided only after the report itself has been made public and ample opportunity afforded for public discussion."

Notwithstanding Mr. Aberhart's non-approval of its personnel, the Commission expects to have the full co-operation of Alberta in the work of the investigation, if for no other reason than because Alberta will expect to share in any benefits which the enquiry may confer.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Can. Cons. Rub..	6%	1946	Oct. 1	110
Dom. Coal,				
1st mtge. ...	5%	1940	Oct. 1	105
Do., s.f. deb. ..	6%	1955	Oct. 1	100
Wood, A. & J. ..	†6%	1944	Oct. 8	103
Religious Issues:				
Hotel Dieu St.-Valier, Chicoutimi	5%	1937	Oct. 1	...
Stock Issues:				
B. Greening Wire	7%	Pref.	Oct. 1	110

†For sinking fund purposes, $23,000.

REGISTRAR—TRANSFER AGENT

THE EASTERN TRUST CO.

Having at Montreal a branch which is in close association with our Toronto office, we are equipped to provide the maximum of efficiency in stock transfer work. We invite stock transfer work for industrial, mining and other corporations, registrarships, deeds of trust for bond issues, and all allied phases of the work.

H. C. OXLEY, Manager

Head Office: Halifax, N.S.
Branches—Montreal, P.Q.; St. John, N.B.; Charlottetown, P.E.I.; Moncton, N.B.; Saint John's, Newfoundland; Toronto, Ont.
TORONTO OFFICE: 330 BAY ST.
H. C. OXLEY, Manager

$6.95 AND UP
SHAVING BOWLS $1.00
REFILLS 60¢

ONE SHAVE INSURES ALL-DAY "FACE-FRESHNESS"

—because the hollow-ground, automatically stropped and honed blade of the Rolls shaves you *cleanly, closely, comfortably.* No blades to buy. You get life-long economy.

ROLLS RAZOR

56

The Nation's Business

(Continued from page 1)

League, and others interested in lifting Alberta out of its present low state of political control. Yet the real barrier to non-party opposition to the present Social Credit Government may prove to be not these groups but certain interfering Ottawa politicians who are seeking to use the support for Mr. Gray to build up their own personal political machines in the province. There are many U. F. A. and Conservative groups who would rally behind Mr. Gray if they could be assured that in doing so they would not be building up a machine to defeat them in a Federal campaign.

• • •

WHAT the country weekly editors say may be accepted as having a basis of understanding and intimate knowledge. The opinions are the opinions of men who have gone through two years of comparative martyrdom for their sanity and collective judgment. The Alberta weekly press, serving the rural community that swept Aberhart into power has nevertheless refused to be stampeded by mass mania and has almost unanimously, opposed the Premier and his monetary heresies.

Mr. Aberhart, well knowing all the tricks of the demagogue, has centred his attack upon "the financial press." As S. R. Hodson, of the Okotoks Review, published in the premier's own constituency, says, his severest critics have been Alberta's weekly papers. And Mr. Hodson adds that "if Social Credit were really for the benefit of the people, surely the weekly newspaper publishers, on behalf of them, would be able to see that."

It is again evidence of the clarity of thinking done by country weekly editors that, in appraising Aberhartian prospects, they have not allowed their wishes to become father to their thoughts. They would like to be able to say that Aberhart is through but they do not so report the situation.

• • •

A Forgotten Man: The Taxpayer

GOVERNMENTS and municipalities are busy preparing their briefs for the Rowell Commission, which is to consider the financial relationships between our governing bodies. That suggests one danger which it will take a good deal of effort on the part of the commissioners to avoid. One danger lies in considering the interests of governments and not of the people, in thinking of citizens as taxpayers and as providers of revenue instead of as those for whose benefit government is carried on.

Governments want money, and continually more and more money. In Canada provincial governments find their operations hampered by the fact that the Dominion and municipalities also collect taxes from the same body of taxpayers, and further by constitutional limitations which prevent them from collecting indirect taxes, or taxes designed to fall, through the processes of trade, on people living in other provinces. On behalf of different governments the plea is constantly heard for more sources of revenue, as if there were any other source available except the pockets of the people. It will be interesting to note to what extent briefs presented to the commission by different governments are statements on behalf of governments, and to what extent statements on behalf of the people.

• • •

SOME degree of taxation is, of course, inevitable and useful. But taxation in Canada has passed the point where it is inevitable, in that it represents a good deal of unnecessary cost of government. It has passed the point at which it is useful, the point beyond which the harm it does exceeds the good accomplished. For money that goes in taxes is lost to the other uses to which it might have been put, in increasing the comfort and resources of the country. And if taxation has not passed the point at which it is productive it must be close to that point. A government which takes only half the income of its people will eventually get more than one which attempts to take all. And one which takes only a quarter will get as much as one which takes half. Both the incentive and the ability to produce wealth decrease as the burden of taxation increases.

It may be that when the Royal Commission gets to work no one will come before it to present ideas such as these. If not it is to be hoped that commission members and commission counsel will keep in mind the man who otherwise might be forgotten, the man who pays the taxes.

• • •

Quebec's Budget Still Unbalanced

THE budget improvement of $5.9 millions reported by the Province of Quebec for the year ended June 30 last is encouraging, but one would hardly describe it as satisfactory.

The surplus of $3.9 millions reported on ordinary account is somewhat deceiving as the province has again charged large expenditures to capital account which should properly be charged to current account. These expenditures total $17.3 millions and include $10.1 millions of unemployment relief and expenditures of $5.3 millions on colonization.

The total deficit for the year, if special and capital expenditures are taken into consideration, was $23.5 millions.

This is not a very gratifying result to be reported by a provincial treasurer who, in his first budget speech, stated that it was his firm belief and conviction "that it is the duty of the government to so conduct the business of the province that it lives within its income."

Furthermore, the government has budgetted for an over-all deficit of over $31 millions in the current fiscal year.

In view of these facts it appears that Quebec can no longer lay claim to being the stronghold of sound provincial finance. Quebec's budget is certainly less candid than that of Canada's other large province—Ontario — which has been reducing taxes and debt.

• • •

THE Montreal Gazette, in commenting editorially upon the improvement, stated that "the Quebec government has just cause for elation."

The Financial Post would suggest that "the Quebec government has just cause" for serious thinking. With economic recovery well under way it is time the government was reducing its debt rather than increasing it.

In view of the improvement that has taken place in business activity it is difficult to explain the increase in unemployment relief costs. Not only did direct relief costs increase, but larger amounts were spent on unemployment relief works so that total relief expenditures showed an increase of $4.8 millions. In British Columbia, Ontario and the Maritime provinces, on the other hand, relief costs have declined.

Anti-Aberhart Groups Are Gaining Strength Election Seen Near

(Continued from page 1)

legislation. As the prospect of a special session has begun to fade, reasons for it have begun to disappear. The fact is that little is now heard of Mr. Aberhart's "immediate" session, and unless talk of it is revived, it may be forgotten soon.

Premier Aberhart himself continually talks of an election in his recent speeches, but in a manner to suggest he is weighing the chances of it. "Some people say I should hold an election, but I don't want an election. Do you?" This is the manner of his repeated approaches to the subject on the public platform.

The position of George F. Powell, last of the Douglas agents in Alberta, has become a topic of speculation, as observers following the situation closely begin to detect first signs of what may be a split between Aberhart and Powell. Mr. Powell has been asked if and when he is returning to England, but he avoids a direct answer. In some quarters he is expected to drop out of the picture at any time, leaving the Aberhart Government to face alone the storm it has created.

Bennett Strikes Keynote

Rt. Hon. R. B. Bennett, former prime minister of Canada, in a visit to Edmonton, struck the keynote of the growing, popular insurrection against Social Credit, by calling on all citizens to obey the constitution. Mr. Bennett's speech, the effect of which can be calculated only by remembering that to many Albertans he is the province's most distinguished citizen, outlined the nature of Canada's constitution, defended federal disallowance of provincial bank acts, and emphasized "orderly democratic methods" as the proper way to secure change.

Mr. Bennett's visit to Edmonton was considered likely to have marked effect on efforts to form a coordinated opposition to Social Credit. His advice to his party's supporters, Conservative sources reported, was to unite against the menace of arbitrary and defiant procedure.

Spontaneous Opposition

New instances of the growth of spontaneous opposition to the Aberhart Government are reported frequently. In Edmonton, a number of citizens have formed the United Canada Association, which has launched a series of radio broadcasts to counteract Social Credit propaganda.

A published opinion from another distinguished citizen of Alberta, Hon. W. L. Walsh, K.C., former lieutenant-governor and former Alberta Supreme Court judge, supports federal disallowance and clarifies the issue created in that respect. "The enacting of this banking legislation," wrote Mr. Walsh, "was quite beyond the jurisdiction of the legislature."

"The Facts About Banking," is the general subject of a series of radio broadcasts on an Alberta network launched by the Canadian chartered banks.

Public Affairs Magazine Published by University

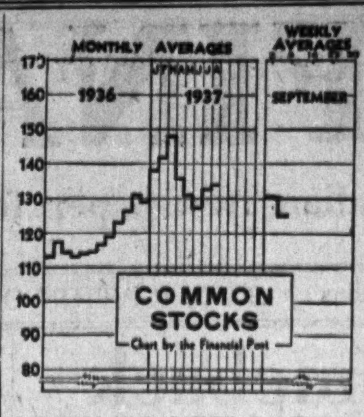
PUBLIC AFFAIRS—Published quarterly by the Institute of Public Affairs, Dalhousie University, Halifax. Price, 50 cents a year.

Dalhousie University took a progressive step last year when it established an Institute of Public Affairs, for this is one practical aspect of education that is too often ignored in the academic atmosphere of universities. In order to facilitate the work of the institute it has now undertaken to publish a quarterly magazine.

The journal will attempt to keep its readers informed on social, economic and educational questions. Articles in the introductory issue deal with the subject of administration of poor relief in Nova Scotia, the problem of youth on relief, the municipal manager plan in small cities, the deadlock in Dominion-provincial finance, problems of assessment and other subjects of interest.

Since the institute is co-operating with the Union of Municipalities of Nova Scotia, special attention will be given to municipal affairs. Regular sections on "What Municipalities Are Doing" and "Decisions of the Law Courts" affecting municipalities are planned.

St. Joseph d'Alma, Lake St. John County, Que.—The Quebec municipal commission has authorized the village school corporation to pay interest due July 1, 1937, on its bonds.



DOWN TO NEW LOWS

For the week ended Sept. 2 the Dominion Bureau index for industrial stocks was 130.9 but the subsequent slump has carried the average to new low levels.

Stock Market Drops On Fears of War As London Sells

(Continued from page 1)

psychology plays a leading rôle in the stock market drama.

Why, for instance, should such stocks as Noranda and International Nickel decline in face of a war scare which might raise further the prices for base metals?

The answer to such a question may best be found by looking back to 1914. Then, all sorts of stocks collapsed in the general rush to obtain cash, liquidity, as protection against things unknown. It was something like a run on the bank, an effort to turn everything into cash.

Variety of Interests

Possibly the reason that the current war scare has exerted more influence on stocks than others of the past two years is that it involves such a variety of interests. There is the Japanese campaign in China with Soviet Russia in the background and the possibility that the yen may go the way of the mark and the rouble. The war in Spain continues as a bloody political battle.

The friction between Russia and Italy in the Mediterranean with German ramifications intensifies the political animosity between the collectivist and the fascist military states. Great Britain as the world's biggest ship-owner is involved willy nilly in the China seas and in the piratical Mediterranean incidents.

Handicap to Trade

Even though there be no official war, the hostilities that have already been in progress represent a handicap to international trade and some cause for hesitation in the international economic recovery. The graver danger is that bankrupt Germany and near-bankrupts like Italy or Japan may do things even more desperate.

Economically, North America remains in the midst of a business recovery, which may pause, but which is considered by most authorities as likely to progress still farther, "barring war." The guide as to what might happen to business and stocks in case of war is that of 1914-1919 when, after months of closed markets, there developed a boom, particularly in raw material prices, which carried business and stocks to an inflationary peak in 1919 followed by the inevitable deflationary slump in 1920 and 1921.

U. S. Fiscal Policy

THE ADMINISTRATION OF FEDERAL FINANCES—By Daniel T. Selko. Published by The Brookings Institution, Washington, D.C. Price 50 cents.

Publication of this booklet arises out of a survey of the financial administration of the United States Government undertaken last year by the Brookings Institute in order to assist the Senate Select Committee to Investigate Executive Agencies of the Government. The Brookings's report, however, did not agree with that of the president's committee on administrative management. The president's committee recommended what is virtually a new system with full responsibility for financial management and control lodged in the executive branch of the Government and exercised through the agency of a reorganized Treasury Department.

In a frank discussion of the existing system of budgetary and administrative management and of both reports, Mr. Selko concludes that the present system is correct in principle although it has a number of weaknesses that should be adjusted. In brief these defects are: (1) the budgetary system fails to meet all the requirements of an efficient centralized system of budgetary and administrative management; (2) the system of proprietary control fails to provide complete information with respect to treasury receipts and to require the preparation of comprehensive statements of the financial condition and operations of the Government as a whole; (3) the existing distribution of responsibility between financial and administrative officers tends to unnecessary delays in the liquidation of obligations.

Investor's Index

INDUSTRIALS AND UTILITIES

Abitibi . . . 5, 12
Asbestos Corp. . 12
Bank of Canada 17
Bathurst Pwr. . 4
Beath & Son . . 12
B. C. Power . . 3, 5
Brandram-Hend. 3
Brown Co. . . . 3
Burlington Steel 12
Can. Cottons . . 3
Can. Gen. Invest. 12
Canada Vinegars 16
Cawthra Apts. . 20
Cons. Amusmts. 4
Corrugated Pap. 12
C. P. R. 4
Cumberland Coal 4
Dom. Coal . . 12, 20
Dom. Stl. & Coal 5
Dom. Textile . . 3
Famous Players. 3
Fanny Farmer . 3
G. Weston . . . 12
Indust. Accept. . 4
Inter. Metal Ind. 12
Jam. Pub. Ser. . 4
London Candn. . 12
Massey-Harris. . 3
Metropol. Bldg. . 12
Mexican Light . 16
Montreal Light . 16
Peel St. Realty . 17
Power Corp. . . 3
Price Bros. . . . 12
Prov. Paper . . . 1
Royalty Unit . . 12
Russell Motor . . 3
Soo Line 3
Spruce Falls . . 5
Supersilk . . . 12
Trans-Canada . . 12
United Fuel . . 12
Walker's . . . 4, 5
Wellington Bldg. 4
Western Groc. . 5
Winnipeg Elec. . 12

MINES AND OILS

Abbeville . . . 19
Anglo-Candn. . 18
Bourlamaque . . 18
Bralorne . . . 18
Buffalo Ank. . . 18
Can. Slate Prod. 19
Capps Gold . . 19
Clark Gold . . . 18
Dawson-White . 18
Dom. Reuyn . . 19
Eldorado . . . 13, 18
God's Lake . . 19
Hiawatha . . . 19
Hightower Oil . 19
Lakeside . . . 18
La Reine . . . 3
Morris Kirk. . . 18
N. W. Minerals . 19
Oliver Severn . . 18
Pacalta 19
Rochette Gold . 18
Shenango . . . 18
S. McK. Island . 19
Star Lake . . . 19
Thompson-Cad.. 19
Ventures . . . 19
Washington Gold 18
Wood-Cad. . . . 18
Yama Gold . . . 19

QUOTATIONS

Bonds 14, 15
Grain 15
Industrials . . . 14
Mines 14
Foreign Exchange . . . 17

In the Mail . . .

The West and the Tariff

Editor, The Financial Post:

I am reading with interest the series of articles in The Financial Post by Sir George Paish. For a number of years I have been writing of the effect of the tariff on western Canada and how it can be remedied without any undue injury to the industrial sections of Ontario and Quebec. My views may have appeared radical and consequently it was difficult to get these views before the public through the newspapers. On July 15 I sent out the enclosed two-page circular to 135 newspapers in the West. Would you kindly note the similarity?

I believe it would be to the interest of all if the people of Central Canada were more conversant with the western viewpoint.

A. LAWSON.

Winnipeg.

Editor's Note.—Mr. Lawsons' circular proposes, in brief: Tariff limits of 25% against Britain and 30% against the United States with "compensation" to the West. Alternatively he suggests a "sectional" tariff for western Canada.

Aberhart, Another King John

Editor, The Financial Post:

Away back in 1215 the mad King John was forced at Runnymede to sign the Magna Charta. The knights overpowered his forces and made him promise to obey the laws of the realm. In Alberta there is another man on the rampage. He would trample underfoot the laws which have safeguarded civil and property rights ever since the Magna Charta. He would override our highest courts. He would plunder the banks or anybody that has money. Put a beggar on horseback, he will ride to the devil.

Alberta is not willing to accept Communism, although a part of the province has been momentarily seduced and hypnotized by a mixture of religious excitement and political chicanery. The keynote of Aberhart's sermons always was: "There is but one God and I am his prophet. I am the only one who can interpret the Scripture aright and predict the end of the world. All the rest of the Christian church is false prophet and anathema. Believe and follow me or go to hell."

The same in politics: "I am the only one who has the right solution of modern finance and political economy and who can deliver you from poverty and misery."

With schoolmaster's persistence and repetition he keeps the air saturated with these delusions so that the weaker and more impressionable minds fall for it. But the saner and more stable minds see through the deception.

He asserts that he has Alberta solidly behind him—another delusion. The people are not yet so demoralized (in spite of him) that they have lost their sense of justice and honor and religion. They remember a few years back when they were very glad to borrow money and considered their creditors benefactors. Rabid Bible Institute teaching makes them hate their best friends—the only ones who can help them—the people with money. They know that mortgage and loan companies have been very considerate with them and that these companies and other lenders have lost millions even when the people do their best to be honest and meet their obligations. They know that no bank or lender can continue long to lend money without getting it back.

Moses keeps their starving condition in the foreground. One of his ace cards in his great sympathy racket. He does not tire telling them how much he is doing for them, but at the same time he is only making their black bread blacker. He has called four sessions of the Legislature so far this year. All kinds of outsiders are imported to do the work he was elected to do and is being paid for. Nearly all the legislation has been expensive bungling and he is farther from his goal than when he started.

JUNIUS JUNIOR.

Hamilton.

The Royal Commission

Editor, The Financial Post:

Taxpayers throughout Canada will be led to wonder just how serious or sincere Hon. Mackenzie King is in desiring to ascertain if there is any means of lightening the excessive burden of taxation now prevalent all over the country, between Federal, provincial and municipal demands in one form and another, not excluding the cost to businesses of all kinds in the filing of tax returns. The time required for the filling out of these returns costs more than enough to the taxpayer without having the filing fee attached which in most cases means nothing more for the Government employee than taking the document out of the envelope and putting it on the file. Of course, there is the value of the space occupied by the filing cabinets and if Mr. Hepburn has his way in his demand that no documents relative to trusteeships must ever be destroyed, new buildings will have to be continuously erected for storage purposes as "never" is a very long time.

If the taxpayer doubts the sincerity of the Hon. Mackenzie King, as stated above, it must needs be so because of the extraordinary personnel of the parties he has appointed to enquire into the question. One of the three appointees is an extreme radical and the other two, à la Roosevelt, are college professors with nothing but theory to go on and no practical experience or knowledge whatever.

Before the appointments were made surely the Hon. Mackenzie King must have been in close conference with Mr. Aberhart. It was anticipated, of course, that expert authorities would have been consulted, but seemingly the Hon. Mackenzie King had other ideas in his mind which he did not choose to make public. In the end, we can expect that bonds will continue to be disposed of to pay for continuing railway deficits and that ever-increasing taxes will be loaded on the taxpayer with no hope of relief.

With no increased population, it would be interesting to know how many Government servants are now employed as compared with the year 1914. Could there be anything else but increased taxes even if that were the only extravagance? The general aim of our Government seems to be to put everyone on the dole.

ANOTHER TAXPAYER.

Montreal.

DIVIDEND NOTICES

Associated Breweries of Canada Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a Quarterly Dividend (No. 56) of 1¾% upon the outstanding Preferred shares of the Company has been declared payable on the First day of October, 1937, to Shareholders of record at the close of business on the 15th day of September, 1937.

NOTICE IS ALSO GIVEN that a Quarterly Dividend (No. 31) of 23c. per share on the No Par Value Common Shares of the Company, issued and outstanding, has been declared, payable on the 30th day of September, 1937, to Shareholders of record at the close of business on the 15th day of September, 1937.

By Order of the Board,

I. N. Wilson
Treasurer.

Calgary, Alberta.
September 7th, 1937.

For Home Improvement LOANS . . .

. . . consult the manager of any of our 500 branches, who will be glad to discuss your home improvement plans with you.

BANK OF MONTREAL
Established 1817
"a bank where small accounts are welcome"

Mining Options

Big Missouri Mines Corp.—Additional 10,000 shares taken up at 50 cents under Dec. 9, 1935, agreement. Balance comprises 975,633 shares at 50 cents. Total issued capital now 4,024,367 shares.

• • •

Gillies Lake—Option on 150,000 shares at 40 cents; 200,000 at 45 and 200,000 at 50 under the agreement dated June 3 terminated. No shares taken up. New agreement dated August 19 for an underwriting of 50,000 shares at 40 cents, less a commission of 25% for services (fully paid) and option on 500,000 shares in blocks of 50,000 at prices from 40 to 60 cents, in monthly payments from Oct. 1, 1937, until Dec. 1, 1938.

• • •

Pacalta—Option dated Aug. 25 on 700,000 shares on basis of 200,000 at 20 cents by Oct. 31; two blocks of 100,000 each at 20 cents by Nov. 30 and Dec. 31 and three further blocks of 100,000 each at 25 cents by the last days of Jan., Feb., and March, 1938.

DIVIDEND NOTICES

Canadian Breweries Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifty cents (50c) per share on the Cumulative Sinking Fund convertible Preference shares of the company has been declared, payable on the 15th day of October, 1937, to shareholders of record at the close of business on the 30th day of September, 1937.

By Order of the Board.

W. C. BUTLER,
Secretary.

Toronto, Ontario,
Sept. 7th, 1937.

DIGEST No. 8

1. The War Problem
2. Foreign Conditions
3. The American Situation
4. Political Monetary Control
5. The Stock Market Outlook

MAJOR ANGAS

Has just returned from a visit to Europe and his impressions are recorded in Digest No. 8.

•

Details of Service on Request

CREW & CO.
360 St. James St. W.
Montreal
Pl. 8351

REO
TRUCKS AND BUSES

•

REO Heavy Duty Trucks

Users of Heavy Duty Trucks will find genuine interest in the REO display at the Exhibition.

Transport men, lumbermen, contractors and all others interested in heavy hauling will see REO models that were built to meet their requirements.

Come in and let us have details of your work. We will give you a scientifically worked out solution to your problem.

•

REO *Speed Delivery* TRUCKS
REO SPEEDWAGONS
REO *Heavy Duty* TRUCKS
REO *Safety* Buses
REO *Pusher* Buses

See Them in the Automobile Building

CANADIAN NATIONAL EXHIBITION

REO MOTOR COMPANY OF CANADA, LTD.
TORONTO (Leaside) CANADA

Power Corp. Earnings Are 72 Cents a Share

Market Value of Investments Increases $1.4 Million

OUTLOOK PROMISING

From Our Own Correspondent

MONTREAL. — Power Corp. of Canada increased both gross and net earnings for the year ended June 30, 1937. In addition, the market value of the company's portfolio increased by almost $1.5 millions.

Earnings on the common stock during the year were equivalent to 72 cents a share. This compares with 50 cents a share in the previous year and 42 cents a share in the year ended June 30, 1935.

Income from investments and from engineering and management fees were both higher than in the previous fiscal year.

As in the previous three years, sale of investments is not included in the income and expenditure account. Instead, profits of $945,136 from this source were applied to the reduction of the book value of investments.

Comparative income and surplus account for the past two years is shown below:

Income and Surplus Account
Years Ended June 30

	1937	1936
	$	$
Gross earnings:		
Inc. from invests. ..	1,426,343	1,374,927
Engineering & mgmt. fees	228,148	201,261
	1,654,491	1,576,188
Less: Oper. exps.	212,230	217,934
Exec. salaries	23,994	23,994
Directors' fees	7,640	7,323
Legal expenses	1,380	1,785
Deprec., furn., etc...	5,000	5,000
Bond interest	471,949	486,643
Inc. taxes	4,760	10,348
Net profit	927,538	823,161
Less appropriations:		
1st pref. divds.	300,000	300,000
2nd pref. divds.	300,000	300,000
Common divds.	223,144	......
Surplus for year	104,394	223,161
Add: Prev. surplus ...	1,556,238	1,333,077
Less: Tax adjusts. ...	14,836	......
Balance forward	1,645,796	1,556,238

Investments Higher

The combined market value of holdings in subsidiary and affiliated companies and other investments increased during the year by over $1.4 millions to $29.2 millions while the book value was reduced by $273,000 to $26.8 millions. As a result the market value at June 30 last exceeded book value by $2.3 millions.

Over 73% of the company's investments are in its subsidiary and affiliated hydro-electric and utility companies. During the year ended June 30 last, however, the book value of holdings in subsidiary companies was reduced by almost $1 millions to $8.8 millions. This reduction is mainly due to a decline in loans, less reserve, to subsidiary companies, which are shown at $3.2 millions as compared with slightly more than $4 millions in the previous year. Other investments increased.

During the year cash on hand increased by $82,829 to $436,217 and accounts receivable where reduced by $35,437 to $268,874.

Bonds Reduced

Bonds and debentures of the company outstanding were reduced during the year by $408,600, the 5% debentures being reduced by $358,600 to $1,485,200 and the 4½% debentures by $50,000 to $8,533,000. At the same time the number of common shares outstanding was increased by 34 shares to 446,298 shares.

Special reserve, consisting of net profits on securities sold less amounts written off investments and net discount on debentures redeemed since July 1, 1933, amounts to $495,196.

A. J. Nesbitt, president, in his statement to shareholders, states that "continued progress is anticipated in the present fiscal year." He also states that with the return of constructional activities the outlook for the engineering and construction divisions is promising.

Petroleum Output

A small increase is reported in the production of crude petroleum in Ontario for the first five months of the year over the corresponding period of last year at 68,560 barrels, compared with 67,009 barrels in 1936.

Canadian Cottons Resumes Work

From Our Own Correspondent

MONTREAL. — The Cornwall plants of Canadian Cottons Ltd. are once more operating, settlement of the second walkout being reached through the intervention of Louis Fine, conciliation officer of the Ontario Department of Labor. The second walkout resulted from the discharge of an employee for insubordination.

The new agreement is designed to prevent future walkouts or misunderstandings until final settlement of matters in dispute is reached. All disputed points are to be submitted to a grievance committee and referred by it to the company. Matters of wages and hours of labor, as previously agreed upon, are to be submitted to the Ontario Industry and Labor Board.

Famous Players Earnings Ahead

Data for Bond Issue Show Good Results for Six Months

Six months earnings statement issued in connection with offering of $300,000 series B first mortgage bonds of Famous Players Canadian Corp. indicates improvement in profits this year.

Operating earnings for the six months were $1,096,944 and income of $48,990 from subsidiaries gave total income of $1,145,934 for the period. After charging $362,455 for depreciation, allowing $106,311 for interest and prior claims of minority shareholders, and $9,375 for amortization of sound equipment, net earnings were $667,793. That sum was available for bond interest and income taxes. It suggests marked improvement in earnings after allowing increased depreciation. Seasonal influence of the midsummer months of July and August usually tends to moderate theatre revenues, but autumn months should help maintain the apparent increase.

In 1936, the company's net profits after interest and income taxes amounted to $1.42 a share compared with 72 cents a share in the preceding year.

Particulars of the comparatively small additional bond offering follow:

$300,000
Famous Players Canadian Corp.
4½% series B first mortgage bonds.
To mature June 1, 1951

Company — Largest operator of motion picture theatres in Canada.

Capital — First mortgage bonds, authorized: $10,000,000; issued: $6,750,000 series A, $300,000 series B common stock outstanding, 408,524 shares.

Earnings—In 1936 equivalent, after depreciation, to more than three times interest on all bonds to be outstanding. For first half 1937, 667,793 available for interest and income taxes, against $296,250 annual bond interest.

Security—First mortgage on all properties and securities, pledged assets total $12,289,621.

Purpose of issue—For capital expenditures in acquiring new theatres and for other capital expenditures.

Offer—By W. C. Pitfield & Co. and Wood, Gundy & Co. at 99 to yield 4.59%.

Brandram-Henderson To Build Varnish Plant

From Our Own Correspondent

MONTREAL.—Norman Holland, president and managing director of Brandram-Henderson Ltd., has announced that a new varnish plant, costing approximately $75,000, will shortly be added to the company's manufacturing facilities.

The plant will be of reinforced concrete construction and will cover between 15,000 and 20,000 square feet of ground space. The cooking and thinning rooms and tank storage section will be one story and the balance three stories.

B. C. Power Co. Raises Dividend

From Our Own Correspondent

MONTREAL. — British Columbia Power Corp. has declared a dividend of 50 cents a share on its class A stock, payable Oct. 13, 1937, to shareholders of record Sept. 30. This compares with 45 cents a share paid for the previous quarter and brings the annual rate to $2 a share. In April, 1937, the company increased its dividend rate from 40 cents to the former 45 cents rate, thus the latest change makes the second increase this year and brings payments on the class A back to the level prevailing in 1929-33.

Declarations of the increased payment at this time reflect continued improvement in the company's earnings. Profits of the company in the fiscal year ended June 30, 1936, amounted to $1.64 a share on the class A stock. While the report for the year ended June 30, 1937, is not yet available it is known that profits have increased. During the first 11 months of the year there was an increase of $58,602 in net earnings. Furthermore, substantial savings in fixed charges have accrued from refunding of the company's bonds.

Municipal Finances

York Township, Ont., council has decided to apply the $70,000 balance of the $84,000 levy made for the township's housing scheme toward the reduction of the 1938 relief levy. The township has decided to abandon its housing scheme.

* * *

Vancouver, B.C., reports that current tax collections up to Aug. 15, 1937, increased approximately $1 million over those of 1936. Due to the tax consolidation programme this year, however, tax arrears for the period show a decrease of $600,000, which means that the actual gain to the city treasury on all tax collections is approximately $400,000 over last year. Collections, including rebates, up to August 15 this year are as follows: Current taxes $8,776,071; arrears $943,658; total $9,719,930.

* * *

East York — Township of East York, Ont., a Toronto suburban municipality, reports a surplus of $11,334 for 1936. Expenditures for the year were $365,302, against estimates of $370,473. Total debenture principal due and unpaid, representing maturities from 1933 to 1936, is $1,131,269. Of this amount, $402,709 represents East York debentures levied and those assumed from York township, while the balance of $728,560 is for debentures not levied, less unsold debentures. Current tax collections were 61.26% of the tax roll while total tax collected, including collections of arrears, were 92.67% of the 1936 tax roll. Total uncollected taxes were 78.07% of the year's tax roll.

* * *

Stratford, Ont.—Expenditures by the city of Stratford, Ont., for the first seven months of 1937 have been $1,914, less than estimates for the same period.

* * *

The county of Saint John, N.B., has a total tax warrant for 1937 of $684,211. Of this amount the City of Saint John was called upon to pay $471,458. The country's assessment valuation is $51.33 million, of which the city has a valuation of $46.3 millions.

* * *

Ottawa, Ont., has been asked to raise $500,000 by a debenture issue for the enlargement of the technical school. Earlier in the year the collegiate institute board asked the council for $750,000 issue to finance a larger building, but this request was held over until outside opinion could be obtained.

* * *

Toronto tax collections to Aug. 15 1937, totalled $23.7 millions, or 67.74% of the year's levy, against $23 millions, or 66.72% of the levy in the same period of 1936. Collections of all taxes, including arrears, were $28.5 millions in the 1937 period against $28.2 millions in 1936. Accumulated arrears of taxes had been reduced to $4.1 millions compared with $4.8 millions at Aug. 26, 1937.

Dom. Textile Petitions Quebec Fair Wage Board

From Our Own Correspondent

MONTREAL.—Dominion Textile Co. had formally petitioned the recently appointed Quebec Fair Wage Board to take steps to determine wages, hours and working conditions in its various plants. A separate petition was filed on behalf of the company's subsidiary, Drummondville Cotton Co., and its affiliate, Montreal Cottons Ltd.

The petition represents immediate action by the company to fulfill the terms of the recent strike settlement agreement which was negotiated through the mediation of Premier Maurice Duplessis at the instance of Cardinal Villeneuve of Quebec.

The petition asks the Fair Wage Board to determine wages, hours and working conditions in each plant separately and for all employees engaged in actual production operations for the period from Sept. 2, 1937, to March 1, 1938, unless an agreement is reached before that time.

Desires Immediate Action

In commenting upon the petition, G. Blair Gordon, managing director, stated that "in the interests of employees and the company alike it is necessary that the new conditions come into existence with as little delay as possible."

The terms of the strike settlement also provided for the appointment of a committee of eight to investigate conditions of work at each plant with a view to negotiating a collective labor agreement by March 1, 1938.

"In order that this committee may have a basis for functioning," Mr. Gordon stated, "it is desirable that the conditions of work established by the Fair Wage Board should be settled promptly. Once such conditions are established, the committee can then proceed to examine what amendments might feasibly lend themselves to incorporation in a collective labor agreement."

As its representatives on the negotiating committee, the company has named F. R. Daniels, manager of grey mill operations; H. D. Roberts, manager of converting operations; J. W. Yaxley, manager of Drummondville Cotton Co.; and W. G. E. Aird, manager of Montreal Cottons Ltd.

Two of the labor representatives on the committee will be appointed by the National Catholic Federation of Textile Workers and two by employees not members of the federation.

Massey-Harris Is Optimistic

Export Trade Minimizes Seriousness of Losses in West

A wheat crop of only 160 million bushels in the Canadian Prairie Provinces, with prospects of only 40 million bushels in Saskatchewan, will have a serious effect upon the business of Massey-Harris Co. and other manufacturers of farm implements. The implement companies will be affected in three ways, which may be summarized as follows:

(1) Seasonal and fall business will be reduced to a minimum in the areas affected and, as machines were in construction or finished prior to the seriousness of the drought becoming evident, inventories have been increased.

(2) Volume of business will be reduced for the same reason.

(3) Collection of old receivables will be made more difficult and term payments on machines bought this year may not be met.

Volume of business done by Massey-Harris Co. in Canada frequently does not exceed 33 1/3% of the total and that even in this field the Maritime Provinces, Quebec, Ontario, Manitoba and the areas not affected by drought in Alberta, have produced crops in excess of 1936. Higher prices have meant a substantially higher income than last year.

Debt Laws

One aspect of the western situation which particularly affects farm implement companies is that the drought situation has further impaired the farmer's ability to pay for old machines which are gradually being allowed to deteriorate or being worn out. Under provincial law, these machines form the greater part of the manufacturer's equity.

Legislation previously enacted restricting the company's guarantee to a lien on the machine sold, the Debt Adjustment Act (Saskatchewan only), the Creditors' Arrangement Act, which restricts the right to repossess a machine, the moratorium in Alberta, etc., have all tended to curtail the company's ability to collect. Unfortunately this also restricts the credit available to the farmer on new purchases.

Company officials state, however: "Based on many long years of experience in western Canada and other countries periodically affected by drought, we can say that provided the farmer is again able to thresh good crops at good prices, his inherent honesty will bring about a situation whereby many of the accounts, which at present appear extremely doubtful, will be collected in full."

The present situation justifies adding to the company's heavy bad debt reserve for the West though it is believed that many accounts may still be wholly or partially collected.

In July, T. A. Russell, president of Massey-Harris Co., stated that the company's sales for the first six months ended May 31, 1937, were up about 50%. Since that time the drought has made serious reductions in the Canadian wheat crop, but the company's world-wide organization which makes 2/3 of its sales outside of Canada minimizes the seriousness of this.

Russell Motor Car Pays $1.25 a Share Dividend

Another dividend of $1.25 a share has been declared on the common stock of Russell Motor Car Co., payable Sept. 30, 1937, to shareholders of record Sept. 15. This payment continues the dividend rate of 5%, or $5 a share annually, which has been paid so far in 1937 after dividends were resumed late in 1936

The regular payment of $1.75 a share will be made on the preferred at the same time.

Russell Motor Car receives most of its income from its two subsidiaries, Canada Cycle & Motor Co., and Acme Screw & Gear. Last year there was a balance of $2.44 a share available for the common and payment of regular dividends so far in 1937 indicates that this rate of earnings has at least been maintained.

Soo Line Directors Elect New President

From Our Own Correspondent

MONTREAL. — George W. Webster has been elected president of the Minneapolis, St. Paul & Sault Ste. Marie Railway, to succeed Clive T. Jaffray, who has been elected chairman of the board. Mr. Webster was formerly vice-president and secretary.

Fanny Farmer Declares Bonus

Extra Dividend of 25c a Share Being Paid Oct. 1

A bonus of 25 cents a share has been declared by Fanny Farmer Candy Shops, Inc., and will be paid along with the regular quarterly dividend of 25 cents a share on October 1, 1937. This payment will be made to shareholders of record, Sept. 15.

This will make a total of $1 a share paid or declared so far in 1937. The dividend rate was increased to 25 cents a share each quarter on Apr. 1 of this year from the previous regular dividend rate of 12½ cents a share quarterly. It is expected that the regular dividend, plus a bonus, for the last quarter of 1937, to be paid around the end of December, will bring total payments for this year on Fanny Farmer stock to $1.75 a share and that a regular rate of $2 a share will be established for 1938. To the end of July, 1937, Fanny Farmer Candy Shops reported an increase of over 50% in profits.

La Reine Gold Offers Stock

Company Is Developing Molybdenite Prospect in Quebec

Owning a gold-molybdenite prospect, approximately 1,200 acres, in La Reine twp., northwest Quebec, La Reine Gold Mines is currently offering at 30 cents per share. This company, formed in 1936, has no connection with La Reine Mine Ltd., which surrendered its charter in 1933.

Officials of the company inform The Financial Post that surface exploration work, and 6,000 feet of diamond drilling recently completed have indicated 12 well defined veins, several of which have been traced nearly half a mile. There are four outstanding veins, the narrowest of which is over two feet, and the widest over five feet in width. Five channel samples recently taken from the main vein along a length of 125 feet showed average molybdenite content of 5.8%. Average value of these five assays, including the gold content, was $94.46. This sampling was done by Joseph McCarroll, mine foreman.

A three compartment shaft is now being sunk about 100 ft. north of the main vein. The first level will be cut at 150 ft. Work will be in charge of W. F. Taylor. The present offering is being made to provide funds for further operation.

La Reine Gold Mines is capitalized at three million shares of which 1,200,000 shares are for property, and are in escrow and 751,726 shares have been issued to the public. This leaves 1,048,274 shares in the treasury.

Officers comprise Oscar R. Smith, of Toronto, president, W. J. Wadsworth, vice-president; C. W. Anderson, secretary-treasurer; C. V. Campbell and M. S. McGuire all of Toronto, directors. R. Sholto Douglas is consulting engineer.

Carpenter Will Support Brown Co. Reorganization

From Our Own Correspondent

MONTREAL.—Frank P. Carpenter, New England industrialist and financier, has announced that he will support the reorganization plan for Brown Co., pulp and paper manufacturers.

The Carpenter family holds 6,200 shares of preferred stock, the largest block held by any shareholder.

You may control your property and escape the burden of management

MANY persons of means — both large and small—desire to be freed from the tedious details of management and still retain control of their property.

Our "Agency Service" will accomplish this satisfactorily for clients.

Let us explain.

Crown Trust Company

Executors :: Trustees :: Financial Agents

MONTREAL
393 St. James Street

TORONTO
80 King Street West

Let us serve you and your family

Support Your Credit Manager
WITH ADEQUATE TOOLS

As no single factor in your business dissipates profits as rapidly as bad debts.

Dun & Bradstreet of Canada, Limited

B. C. Iron and Steel

A preliminary report of the Dominion Bureau of Statistics shows the gross value of iron and steel and their products turned out in British Columbia plants last year at $10,558,626, from 109 establishments employing 2,085 persons at $2,556,076 in salaries and wages.

HYDRO IS YOURS.....USE IT!
HYDRO
PIONEERS OF PROGRESS IN NORTHERN ONTARIO

Over lands and lakes, through bush and over rock, the power lines of Hydro are penetrating steadily Northward—into areas which, but yesterday, were a wilderness.

Gold discovery waits on power to supply mine and mill and smelter—electrical energy is essential to their development. It is these Mines which are developing new wealth in which all the people of the Province share—it is this new industry which was mainly responsible for our being able to maintain a reasonable standard of living throughout the depression.

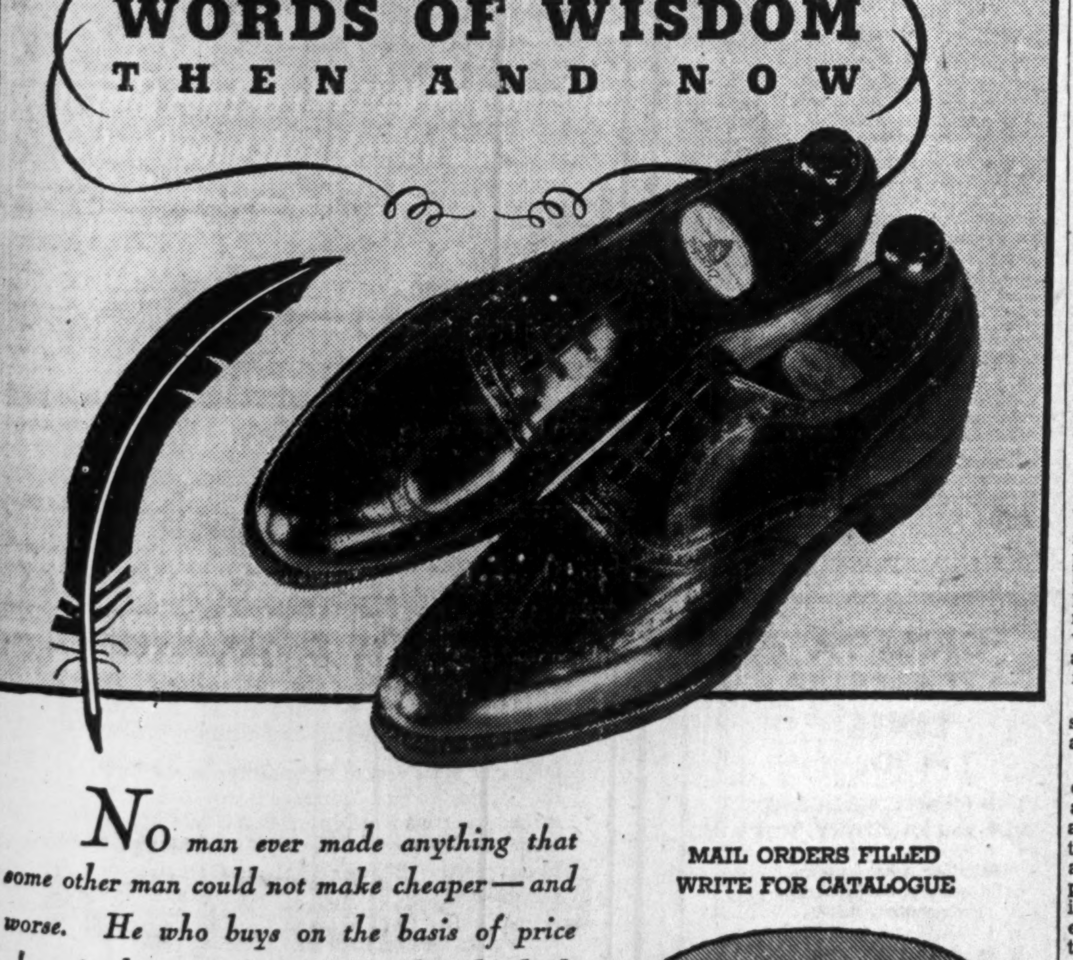
Hydro is now supplying 116,000 h.p. and serving forty-six properties in this rapidly expanding territory.

Just as quickly as new communities arise in these areas, and Mines go into production, a demand is created by them for the necessities of life and living, and regardless of your occupation a share of the money thus expended comes directly, or indirectly, to you.

You should, therefore, be vitally interested in the efforts of Hydro, and the part it is playing, in the development of these new, rich areas of the North, and its continued efforts to extend the benefits of low cost power throughout the entire Province of Ontario.

The **HYDRO ELECTRIC POWER COMMISSION** *of Ontario*

373



No man ever made anything that some other man could not make cheaper — and worse. He who buys on the basis of price alone, is the natural prey of such individual.

— JOHN RUSKIN (1819-1900)

MAIL ORDERS FILLED
WRITE FOR CATALOGUE

Dack's
SHOES FOR MEN

73 KING ST. W: 12 BLOOR ST. W.
Hamilton Address; 96 King St. E.

DS-117

SHOPS IN PRINCIPAL CANADIAN CITIES

Investment Trends

Sharp Stock Slump Renews Down Trend

Market Averages Break Through Previous Bottom Levels, Suggesting Lower Prices This Year

The recent decline in share prices has been following a normal pattern. After a marked recession from March into June, there was a pronounced rise of prices up to about mid-August. That was regarded as a normal recovery from a sharp decline.

The subsequent renewal of the decline has now carried market averages below previous low points. Since the averages have broken below previous bottom levels, it is taken as confirmation that the month-to-month price trend is still to be downward. Lower prices may be seen before the close of the year.

Up to the present, the 1937 low points in market averages had been: Toronto Stock Exchange average, 157.7; Montreal Stock Exchange, 100.3; New York industrials (Dow-Jones), 165.5.

There is no doubt that tension over international complications in the Mediterranean and in China has contributed to weakness in common shares. The steepness of the rise into August would probably have brought some recession anyway, but the "war news" touched it off.

The feature of stock market weakness that is most puzzling to the investor is that business in general is better than a year ago, even though it has undergone some summer slackening. Those who regard the stock market as a barometer of economic conditions suggest that the decline of prices is auguring less favorable fall business than has been anticipated. But it may equally be argued that the stock market is often wrong; for instance, stocks are usually at high prices before bad times develop and low when recovery is beginning, or even after it is in progress.

There has been heavy liquidation of margin accounts in Toronto and Montreal, which strengthens the internal position of the market.

Now and 1929

It is becoming popular, in analyzing the rise in stocks since 1932, to compare the current position with that of 1929 preceding the big market crash.

One may easily form the opinion that there is as much of contrast between now and 1929 in the stock market as there is of parallel.

In 1929 there had been three years of rising stock prices, and the years preceding 1937 have been ones of rising quotations. The contrast in stock exchange trading, however, is that volume of transactions at least in industrial shares has been far smaller this year than in 1929, indicative of less speculation. This is also shown by low brokers' loans whereas in 1929 such borrowings to finance margin accounts attained huge proportions.

It is contended that recent public optimism in common shares and in the business outlook has been akin to that of 1929, but it will be noted that there are few cases of stocks selling at the fantastic ratios to earnings that prevailed eight years ago.

* * *

Recovery Runs On

One striking contrast with pre-crash conditions is that money rates remain very low, in New York 1% against 6% to 20% in 1929. Another is that the recovery movement is a sequence to a great depression in which capital equipment deteriorated creating a large back log of demands for rebuilding. An investment advisory service comments:

"There is nothing in the economic picture to suggest that the recovery has reached a point of culmination, or major reversal."

Perhaps the very fact that there is so much discussion of 1929 conditions means that the investing public is more guarded in its anticipations of further economic improvement. The next depression is probably not immediately at hand since we have hardly enjoyed full recovery from the last one. When it comes, however, the next slump may be a bad one because governments, by their inflationary deficit financing, have placed themselves in a less favorable position to combat hard times.

* * *

Montreal Comment

Monthly review for September of the Montreal Stock Exchange comments that in August security prices carried the exchange index for industrial shares through the 110 level which had been apparently a point of resistance to the advance.

As to the halt of the August rally and the subsequent decline, the bulletin states:

"This reversal of the short term trend was generally attributed to the political developments in the Far East as well as a drop in commodity price levels, and prices in other world security markets experienced a similar retrogression."

The fact that share prices have been weak on European markets as well as on this continent does suggest that international political tension rather than economic considerations may be the dominating influence of the moment. In that respect it may be more fitting to consider the stock market in comparison with 1914 than with 1929. While the start of the Great War brought collapse and closures in stock markets, it was followed by an inflationary war boom.

Bathurst Power Grants Second Wage Increase

From Our Own Correspondent

MONTREAL.—Bathurst Power & Paper Co. has put through a general wage increase for employees in its Bathurst, N.B., plant. This is the second increase put into effect this year, the first being granted in April.

Construction in connection with improvements at the company's plant is making rapid progress. The new steam generating plant will be in operation about Oct. 1.

Theatre Firm Earnings Rise

Confederation Amusements Shows Earnings Twice Interest

Confederation Amusements Ltd., operating six theatres in the Montreal area, reports improvement of some $20,000 in net revenue in the year ended April 30, 1937. After all charges including depreciation and taxes, earnings were more than double interest payments for the year.

Changes in the balance sheet reflect chiefly the redemption of old 6½% bonds and former mortgages and issue of $625,000 of new 5% bonds. Of that amount, the company holds $100,000, so the net bond mortgage at April 30, in effect, amounted to $525,000.

Decrease in surplus account is due to charging off the discount on old bonds and expenses of selling the new issue. The financing has strengthened the working capital position.

Income and Surplus Account
Years Ended April 30

	1937 $	1936 $
Gross revenue	433,271	439,086
Less: Expenses	287,369	309,749
	145,902	129,337
Add: Other income ..	4,111	1,193
Net revenue	150,013	130,530
Less: Admin. exp. ...	22,424	25,759
Taxes	17,956	19,691
Insurance etc.	6,009	6,405
Interest	33,183	32,348
Depreciation	35,423	35,315
Bad debt res.		418
Net profits	35,018	10,594
Add: Prev. surplus ...	38,320	32,939
Profit on bonds ...	236	......
Less adjustments ..	......	5,214
	73,574	38,320
Less: Pref. div.	3,209	......
Amort. bond disc. ..	2,632	......
Unamort. bond disc.	47,511	......
Exp. re bonds	7,846	......
Res. for taxes	6,128	......
Surplus forward	6,248	38,320

Investment Notes

Jamaica Public Service—Earnings of this company continue to improve, surplus earnings after all charges showing an increase of 15.7% in July over the same month of last year. For the 12 months ended July 31 earnings on the common stock were equivalent to $2.57 a share as compared with $2.27 a share in the preceding year. In view of the excess of earnings over the present dividend rate of $1.75 a share the current yield on the stock appears good

* * *

Industrial Acceptance Corp. — Business of the company is understood to be reflecting the continued upward movement in time payment financing of car purchases. For the month of July car sales were up 44.1%, compared with an increase of 39.1% in June and 21.8% in May. For the first seven months of the year the total of all motor car financing was $51 millions, an increase of 37.5% over the same period of 1936.

* * *

Hiram Walker-G. & W.—W. J. Hume, president and general manager, has reported to the S. E. C. that he bought 359 shares in July and transferred 1,501 shares to a holding company. Mr. Hume holds 30,792 shares directly and 6,028 through a holding company. R. A. McHinlay, director, increased his holdings by 50 shares to 450.

Brantford, Ont.—Revenue collected to the end of August has been $160,383 ahead of the same period of 1936. Improvement has come $116,427 from sources other than the tax rate, a gain of $11,239 in collection of arrears and a gain of $32,717 in collection of current taxes.

$3.9 Millions Surplus For Quebec Province

Extraordinary Expenditures of $17.3 Millions Charged to Capital

REVENUES INCREASE

From Our Own Correspondent

MONTREAL.—Buoyant revenues as a result of general improvement in business and greater efficiency in tax collection has enabled the Quebec Government to report a surplus on ordinary account for the year ended June 30, 1937, of over $3.9 millions. This compares with a deficit of $1.9 million in the year ended June 30, 1936, so that the budget improvement on ordinary account amounted to almost $5.9 millions.

Actually, however, the surplus is somewhat illusory since extraordinary expenditures such as unemployment relief and colonization are not included in ordinary account. Extraordinary expenditures as shown by the statement issued by Hon. Martin Fisher, provincial treasurer, totalled over $17.3 millions so that the deficit on this basis amounted to about $13.4 millions as compared with $18.5 millions in the previous year. Extraordinary expenditures in the 1935-36 fiscal year totalled $16.6 millions so that there was an increase of over $700,000 last year.

Overall Deficit of $23 Millions

If a pay-as-you-go basis is used then the overall deficit, including capital expenditures, totalled $23.5 millions. Total extraordinary and capital expenditures charged to capital account during the year amounted to $27.4 millions, of which $10.1 millions was spent on public works. In the 1935-36 fiscal year expenditures charged to capital account totalled $29.3 millions, but this figure included refunds of loans to the Dominion Government for workmen's dwellings and was offset by capital receipts of $3.5 millions.

Practically every department of the Government contributed to the increase of $7.6 millions in revenues. The major increases were recorded by succession duties, motor vehicle licenses, gasoline taxes, corporation taxes and liquor profits. Revenue, in fact, was the highest in the history of the province.

Expenditures Higher

The improvement in revenues was offset to some extent by a rising tendency in expenditures, total outlay on ordinary account being $1.7 million higher than in the previous year. New services such as old-age pensions, the Rural Credit Act and aid to fishermen are responsible for this increase. These new services cost $4 millions.

Unlike Ontario, British Columbia and the Maritime Provinces, Quebec reports an increase in expenditures for unemployment relief despite improving business conditions. Expenditures on direct relief and in aiding colonists amounted to $10.1 millions, compared with $9.5 millions in the previous year. In addition, $4.2 millions was expended on relief works so that total expenditures under the Unemployment Aid Act amounted to $14.3 millions, an increase of $4.8 millions over the previous year.

In regard to prospects for the current fiscal year the provincial treasurer reports that the outlook is promising, receipts for the first two months exceeding the Government's "fondest expectations."

Details of revenue and expenditure follow:

Department:	1936-37 $	1935-36 $
Dominion subsidy	2,464,553	2,464,553
Natural resources	6,483,512	6,095,213
Liquor commission* .	2,807,258	2,125,013
Gasoline duties, etc. ..	6,565,051	5,780,624
Corporation taxes	7,337,455	6,182,182
Succession duties	7,636,875	4,697,618
Motor vehicle tax	6,484,256	5,920,316
Interest	1,287,431	1,230,238
Other taxes	1,405,598	913,630
Treasury insur.	121,765	125,120
Liquor permits	1,814,934	1,773,886
Prov. secretary	81,052	67,549
Public works	295,904	267,387
Labor dept.	68,300	64,629
Game & fisheries	26,013	26,088
Justice	86,428	79,533
Sundry	1,313,130	842,740
	46,280,019	38,666,299

Expenditure

Department:		
Public debt	9,932,875	9,517,358
Civil government	3,023,214	2,859,977
Admin. of justice	2,545,896	2,616,247
Education	3,104,905	4,023,769
Public works	1,707,502	2,032,814
Agriculture	3,527,230	3,575,830
Roads & mines	5,593,157	6,709,908
Lands & forests	1,568,244	1,866,753
Coloniz., games & fish.	2,884,221	2,369,793
Legislation	1,112,977	936,082
Lunatic asylums	1,439,173	1,132,747
Industrial schools	292,519	298,753
Health	748,241	780,571
Municipal affairs	431,070	73,513
Labor	2,351,821	552,504
Prov. secretary	1,112,680	......
Sundry	935,729	1,242,854
	42,311,454	40,589,474

*After deducting $1 million contributed to the Public Charities Fund.

Special and Capital Expenditures

Unemployment aid act	10,158,031	9,499,402
Colonization	5,373,816	5,083,645
Public charities deficit	1,705,084	1,999,709
Road grants	120,492	1,000,000
Unemployment works	4,187,415	......
Roads	5,766,136	7,033,000
Workmen's dwellings .	......	*3,875,000
Other	167,716	816,539
	▲27,477,679	29,304,296

*Represents refunds of loans to Federal Government and is largely offset by capital receipts of $3,572,193.

▲Report shows $17,356,413 as extraordinary expenditure and the remainder as capital.

ASSISTANT "G.M."

A. N. MacTavish, A.I.A., actuary of the Dominion Life Assurance Co. since 1921, who has been appointed assistant general manager and actuary for that company.

Candn. Pacific Promotes Passenger Officials

From Our Own Correspondent

MONTREAL.—The Canadian Pacific Railway has announced the promotion of E. F. L. Sturdee, general passenger agent Vancouver, to the position of assistant passenger traffic manager for eastern lines. He succeeds R. G. McNeillie, who recently became passenger traffic manager.

G. Bruce Burpee, assistant general passenger agent at Montreal, is to succeed Mr. Sturdee as general passenger agent at Vancouver.

Cumberland Coal Makes Sinking Fund Payment

From Our Own Correspondent

MONTREAL.—The National Trust Co., Montreal, trustee for the first mortgage bonds of Cumberland Railway and Coal Co., has given notice that it has $30,829 on hand for the purpose of purchasing bonds of the company for sinking fund purposes.

Proposals to sell bonds of the company to the sinking fund will be received by the trustee up until noon Sept. 17.

Wellington Bldg. Paying Interest

Coupon No. 10 to be Paid Sept. 20 — Monthly Rental Up $600

Holders of 6½% first mortgage bonds of Wellington Building Corp., Toronto, will receive payment of interest coupon No. 10, due July 5, 1933, plus interest at 6½% on the unpaid coupons, on and after Sept. 20, 1937, from the London & Western Trusts Co., receiver and manager.

In a statement of earnings for the nine months ended Aug. 31, 1937, the receiver states that gross monthly revenue is now over $600 more than at this time last year and that the building is 85% rented at present. The yearly rental based on the month of August will be over $75,000 and, with business conditions improving, it is hoped to maintain this rate of income.

Actual gross receipts from Dec. 1, 1936, to Aug. 31, 1937, were $53,955. Expenses and taxes required $39,552 and payment of coupon No. 9 on Dec. 15, 1936, $17,323. The balance in the receiver's hands at Nov. 30, 1936, was $25,799 and, after making the above-mentioned payments, a balance of $22,878 was available at Aug. 31, 1937.

The receiver states that during the nine-month period some excellent long-term leases were obtained which will ensure steady income for some time to come. The type of business now being conducted in the building is more diversified, thus making the building better able to stand any change in business conditions.

Textile Workers' Union Names Representatives

From Our Own Correspondent

MONTREAL.—The National Catholic Federation of Textile Workers has named Albert Cote and Alfred Charpentier to act as its representatives on the committee which is to study working conditions of employees of the Dominion Textile Co. with a view to negotiating a collective labor agreement with the company.

Mr. Cote is president of the textile union and Mr. Charpentier is general president of the National Catholic Syndicates, the parent body of the textile federation.

The company had previously announced the appointment of its four representatives. The remaining two members, who are to represent workers not members of the federation, will be named in the near future, after the method of their selection has been established.

September Dividends Up $4.6 Millions Over 1936

Dividends to be paid by Canadian corporations in September, will total $4.5 millions more than in the corresponding month of 1936, according to an estimate by The Financial Post, marking the thirteenth consecutive month to show an increase. Payments in September, 1937, are estimated at $19.2 millions compared with $14.6 millions in September, 1936.

Extra dividends are being paid by two companies in September. Agnew-Surpass Shoe Stores is paying an extra of 30 cents a share, along with the regular payment of the same amount, and Electrolux Corp. is paying an extra of 10 cents a share. Hamilton United Theatres has raised the rate of dividend on its preferred stock from $1.25 a share to $1.50 a share and is the only company to announce an increase in the regular payments.

Two mining companies, Canadian Malartic with five cents a share and Sigma Mines with one cent a share, are making initial payments in September. Capital Wire Cloth is also paying the initial dividend of 38 cents a share on its preferred stock.

Canada Wire & Cable has announced a payment on preferred arrears of $6 a share and Aluminum Ltd. is paying $4 a share on arrears.

Only company in this record to pass a dividend which ordinarily would be payable in September is Hightower Oil & Refining which paid 15 cents a share on its preferred in June but is not making any payment in September.

International Nickel's dividend of 50 cents a share will require $7.3 millions and will be the largest single payment to be made in September. Only other company to disburse more than $1 million will be Lake Shore Mines, whose payment of $1 a share will require $2 millions.

Summary of September Payments

	1937 $	1936 $
Dividends	19,226,197	14,610,378
Bond interest	20,138,600	19,989,000
Total	39,364,797	34,599,378

Dividend Payments

Company	Rate $	Date	Amount $
Agnew Surpass, c.	.30s	1	23,857
Do., extra	30	1	23,857
Anglo-Can. Tele. A....	12½q	1	45,006
Aluminium, pfd.	1.50q	1	187,569
Do., arrears	4	1	500,184
Bk. of Montreal..........	2q	1	720,000
Bk. of Toronto	2.50q	1	150,000
Bk. Can. Nationale......	2q	1	140,000
Barker's Bread, c.....	08m	1	1,760
Biltmore Hats, pf.....	1.75q	15	3,667
Bright, T. G............	07½q	15	7,500
Do., pref.	1.50q	15	11,733
Canada Cement, pf.	1.25	30	251,086
Can. & Dom. Sugar ..	37½q	1	187,500
Canada Malting	37½q	15	74,614
Canada Vinegars........	30q	1	27,600
Can. Bk. of Commerce..	2q	1	600,000
Can. Int. Inv. Tr., pf....	1.25	1	20,812
Can. Malartic	*05	8	166,342
Can. W. Nat. Gas, pf..	1.50q	1	52,500
Can. Wire & Co., pf......	‡6	7	173,226
Central Patricia	.04	30	125,000
Cap. Wire Cloth, pf.....	*38	1	3,800
Corr. Pap. Box, pf.....	1.75q	1	12,792
Dom. Anglo Inv., pf...	1.25q	1	16,875
Dom. Tar, pref......	1.37½q	15	69,231
Dom. Scott. Inv., pf......	.50	1	24,068
Electrolux	.40q	15	495,000
Do., extra	.10	15	123,750
Eng. Electric, A	62½	15	22,617
Falconbridge N.	7½q	30	250,313
Ford Motor A, B	.25q	18	414,740
Ham. Un. Theat., pf...	1.50q	30	11,818
Hollinger Cons.	.05	9	246,000
Imp. Tobacco	10q	30	945,103
Do., pref.	3%s	30	240,900
Inter. Mining	.15	20	60,008
Inter. Nickel, c..........	.50q	30	7,292,012
Loblaw Groc., A, B....	25q	1	207,089
Lake Shore M...........	1q	15	2,000,000
Lake of Woods M., pf..	1.75q	1	26,250
Laura Secord	.75q	1	43,125
Lava Cap M...............	.05	30	125,000
Louisiana Land	.10q	15	300,000
McColl-Fron., c.	.10q	15	66,000
McIntyre Mines	.50q	1	399,000
Mtl. Loan & Mtg.......	.50q	15	12,000
Montreal Cottons	.50q	15	15,000
Do., pref.	1.75q	15	82,500
New M. Laund., pf..	1.62½q	1	4,062
N.S. Light & Pr., pf..	1.50q	1	30,000
Ogilvie Flour, pfd.....	1.75q	1	35,000
Ont. Silknit, pf.........	1.75q	15	17,500
Photo Engravers	.50q	1	15,000
Pickle Crow	.10	30	300,000
Russell Motor	1.25	30	10,000
Do., pref.	1.75q	30	21,000
Regent Knit., pf.........	.40q	1	6,400
Reliance Grain, pf...	1.62½q	15	32,500
Rolland Pap., pf.......	1.50q	1	22,500
Royal Bank	2q	1	700,000
Second Std. R'ities pf....	01	1	25,035
Sigma Mines	*01	1	30,000
Siscoe Gold	.05q	15	232,403
Stuart, D. A., pf.........	.20q	1	9,000
Sylvanite Gold	.05q	30	164,975
Toronto Elevators pf....	66q	7	19,800
Union Gas	.15	15	105,928
Walker-G. & W.	.50q	15	361,086
Do., pref.	.25q	15	115,204
Total			19,226,197

*Initial. ‡Arrears.
m—Monthly. q—Quarterly.
s—Semi-annually.

Bond Interest Due in September

Corporation	$6,573,000
Municipal	2,446,000
Provincial	4,819,600
Dominion	6,298,000
Total	20,138,600

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 6	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 7	Bldg. mater. 14	Power and traction 15	Banks 9	Total utilities 19	Total co's 96
1929-36:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	205.4	281.1	197.6	131.7	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	42.3
1937:												
Jan.	156.3	37.2	119.6	229.6	77.3	184.2	141.0	197.0	91.1	94.4	68.5	137.4
Feb.	163.4	36.7	120.7	235.2	78.5	188.2	139.3	203.5	97.5	96.7	73.1	142.4
Mar.	168.3	40.2	127.0	247.7	80.2	190.0	141.8	213.4	94.7	95.9	71.0	147.2
Apr.	157.5	47.1	117.4	230.4	79.9	182.4	133.4	204.8	85.1	94.0	64.1	136.2
May	151.3	38.5	109.4	229.6	77.5	178.5	128.4	188.4	84.0	92.7	63.0	132.2
June	148.1	38.3	103.7	220.2	77.7	177.7	131.0	179.6	84.1	92.3	63.2	129.4
July	148.0	40.5	102.0	222.8	79.7	182.1	136.1	188.7	88.0	90.2	63.9	133.0
Weekly Figures, 1937:												
Aug. 5 ..	150.6	38.7	96.7	225.0	80.8	182.0	137.1	188.4	91.9	90.2	66.2	135.7
Aug. 12 ..	152.8	40.5	99.1	223.3	79.7	182.3	137.5	192.9	92.9	90.0	66.0	136.7
Aug. 19 ..	153.1	41.7	99.1	223.6	79.3	182.6	139.7	195.3	90.8	90.0	65.3	136.2
Aug. 26 ..	149.7	39.2	98.9	221.9	78.9	181.5	135.6	191.4	87.9	89.7	63.7	133.3
Sept. 2 ..	144.0	37.2	96.6	223.4	78.6	179.0	133.4	185.1	85.6	89.6	62.4	130.9

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Sept. 7	151.84	112.76	147.77
Sept. 6		Holiday	
Sept. 4	160.28	120.44	156.45
Sept. 3	160.23	120.07	159.28
Sept. 2	159.44	119.77	157.24
Sept. 1	161.25	121.18	159.90
Month ago ..	165.37	119.59	171.97
Year ago	136.83	144.05	146.49
High, 1937 ...	187.67	168.59	215.36
Low, 1937 ...	151.84	107.83	141.97

Montreal Averages

	10 Util.	30 Indus.	30 Comb'd
Sept. 7	74.1	96.2	88.8
Sept. 6		Holiday	
Sept. 4	78.4	106.1	96.3
Sept. 3	78.2	106.0	96.1
Sept. 2	77.9	104.9	95.5
Sept. 1	78.9	106.1	97.1
Month ago ..	82.3	110.7	101.2
Year ago	73.0	78.4	76.2
High, 1937 ...	92.5	122.2	109.5
Low, 1937	74.8	100.3	93.3

New Issue

Famous Players Canadian Corporation Limited

4½% First Mortgage and Collateral Trust Bonds

Series "B", due June 1st, 1951

Denominations: $1,000 and $500.

Price: 99 and interest, yielding 4.59%

Copy of Prospectus will be forwarded upon request.

Wood, Gundy & Company Limited

36 King Street West, Toronto

TELEPHONE: ELGIN 4321

Textile Tax Litigation Revives Inventory Fight

Court Decision on Dominion Textiles Claim to Right of Arbitrary Valuation Awaited With Interest By Other Companies

From Our Own Correspondent

OTTAWA.—Parliament Hill is watching few developments more closely these days than the slow progress of the litigation by which the department of national revenue is seeking to recover in excess of a million dollars from Dominion Textiles Ltd. for alleged underpayment of income taxes. The defendant company, in resisting the claim, has set up a contention which, if the courts uphold it, would be of interest to many companies.

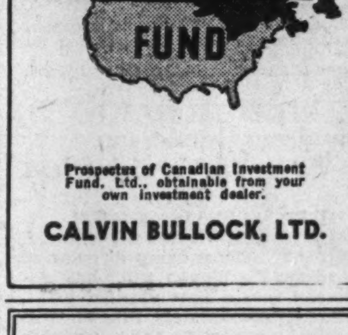
The contention is the right of a company to value its inventories at whatever price the needs of the business suggest. The tax, it is claimed, is an "income" tax—and inventories are declared not to be "income" until they leave the factory in the form of the finished product. Consequently, it is held, the federal taxation authorities should have no right to decree what the valuation shall be.

Inventories and Profits

The company argues, furthermore, that the Government is still protected. For if inventories are valued at a low figure one year, the profit on operations will be that much greater the following year, so that, ultimately, the taxing authorities will receive that to which they are entitled.

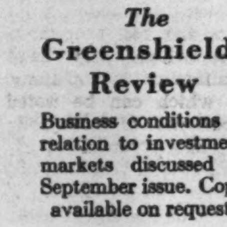
The Government, however, is by no means reassured and believes that its tax-gathering ability will be seriously prejudiced if the company's contention is confirmed. For over a cycle of years, the Government emphasizes, a lean period normally comes to every industry. All a company would have to do to evade a considerable portion of its taxation, accordingly, the federal authorities point out, would be to "juggle" its inventories along until it came to one of those years during which its liability for taxes was light in any event, and in that year write up its inventories to normal levels.

It will be some months before judgment is likely to come in the case, but the decision when it is rendered will be closely read by the authorities and, if it should go against the department, will undoubtedly be looked upon as reason for amending the income tax law next session of Parliament.



Prospectus of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.

CALVIN BULLOCK, LTD.



The Greenshields Review

Business conditions in relation to investment markets discussed in September issue. Copy available on request.

Ask for Review P6

Greenshields & Co

Members Montreal Stock Exchange
Montreal Curb Market

507 Place d'Armes, Montreal

TORONTO OTTAWA QUEBEC
SHERBROOKE

112

Comparative Municipal Statistics

We have prepared a survey of the financial statistics of sixty-one Canadian Municipalities, showing the record for the past four years of debt, tax collections and arrears.

Copies available on request.

Harrison & Company
LIMITED
320 Bay Street Waverley 1891
TORONTO

CANADA STEAMSHIP LINES LTD.

5% 1st MORTGAGE BONDS DUE 2nd JANUARY, 1957

We offer these bonds at the market to yield approximately 6.90%.

HANSON BROS.
INCORPORATED
Established 1883.
255 St. James St. W.
MONTREAL
Ottawa Toronto

Famous Players

Famous Players Canadian Corporation dominates the moving picture industry in Canada. It does so because of the excellence of its management, which is progressive and alert to changing trends in the industry. It has always built the best theatres and presented the best pictures . . . first.

On its 17 years' record for security and stability, the Company's First Mortgage Bonds have justly earned the confidence of investors. We recommend the present 15-Year 4½% First Mortgage Bonds, Series "B", due 1951, as a reliable investment.

Price: 99 and interest. Yield 4.59%.

Full particulars sent upon request.

W. C. Pitfield & Company
Limited
235 St. James Street MONTREAL
80 King St. West TORONTO

LINKED IN PROGRESS

Linked in her industrial progress are Canada's water-powers—low-cost readily available power is essential to the development of a country richly endowed with mineral and forest resources.

Hydro-electric installations in Canada now exceed 8,000,000 horsepower. Over 40 per cent of the output of these power plants is absorbed by the pulp and paper industry while the mineral industries require over 1,000,000 horsepower in their operation.

Both these industries are outstanding contributors to Canada's progress; both virtually owe their existence to an abundance of readily available low-cost power.

We recommend the securities of:

POWER CORPORATION OF CANADA, LTD.
CANADA NORTHERN POWER CORPORATION, LTD.
BRITISH COLUMBIA POWER CORPORATION, LTD.
WINNIPEG ELECTRIC COMPANY
SOUTHERN CANADA POWER COMPANY, LTD.

NESBITT, THOMSON & COMPANY
LIMITED
355 St. James Street West, Montreal
Branches in the principal cities of Canada

Bond Markets

Speculative Bonds Hit By Stock Market Slump

Flood of Publicity Issued on Brown Co. Plan—August Financing Reaches Extreme Low Point in Volume

Holders of high grade bonds will be encouraged at the way in which the market for this type of security has held up in the face of drastic declines in more speculative issues in sympathy with the stock market break of this week. In spite of extreme inactivity prices have been well maintained, although still substantially below the high point for this year, as a glance at the index below will reveal. Whether this firmness will continue is not positively indicated as yet but a persistent idea that interest rates are too low shows some doubt as to the longer term trend.

Signs of weakness were evident in speculative bonds, such as the newsprint issues, which had been bid up to comparatively high levels. Abitibi 5% bonds were quoted around 88.50 at the first of the week, a drop of 7½ points since the end of August, while Consolidated Paper 5½% bonds dropped from 94 bid to around 87.

A deluge of publicity is being released from interests favoring the reorganization plan for Brown Co. Publicity sheets have been received indicating that Rotary Clubs, Kiwanis Clubs, American Legion commanders, Forest Products Assoc., Berlin Mayor and city council, local bankers at Gorham and Berlin, N.H., and others, many of whom would benefit from activity in the company's plants at Berlin and Gorham, N.H., are all endorsing the plan. Evidently the bondholders' committee, headed by Charles Francis Adams, of Boston, is the only voice opposing the plan, and they are accused of unnecessarily delaying reorganization proceedings by the Gorham Rotary Club.

Wait For Business

Greenshields & Co., in their September review, find reason for the restrained tone noted in August security markets in the political uncertainties abroad, disappointing results in western wheat fields and a certain amount of labor difficulty in the industrial East. In the background, however, they see the feeling that industrial activity has been carried forward so rapidly in the past two years that except in certain special directions, among which are mentioned the pulp and paper industry and base metals, the field for discounting the immediate future of company earnings has become more restricted. They forecast a pause in security markets until business consolidates its recent gains and shows ability to make further advances.

• • •

Investing Endowments

Private investors who are dependent on income from bonds or stocks for their living will find something familiar in the uncertainty of prominent United States colleges as to how to manage their endowment funds and keep their income up to required levels.

On the average, 12 such institutions surveyed by Barron's, the United States financial weekly, hold 59% of their endowment funds at June 30, 1936, in bonds, against 56.2% in 1930. Calling of high coupon bonds and refunding at lower rates has been very prevalent in the past five years and has brought a falling income which they have found great difficulty in replacing.

One lesson which can be noted from the experience of this group is the necessity of a diversified portfolio for a well-rounded investment programme. Even where danger of capital losses must be minimized, diversification as to type of security is desirable and the higher income to be obtained from common and preferred stocks makes inclusion of this type of security advantageous. United States Government bonds have not been a popular medium for the investment of college endowment funds and the high yield on many foreign Government bonds is evidently not attractive, those held being mostly Dominion of Canada or Canadian provincial bonds or those of Scandinavian countries on which yields are comparable to high-grade American bonds.

• • •

August Financing

Only new bond issues sold in Canada in Aug. 1937, with the exception of $50 millions of Dominion treasury bills, were $224,000 made up of several small municipal issues. No Dominion or provincial direct or guaranteed issues were sold. That this condition is not unique, according to Wood, Gundy & Co., is seen when it is noted that August 1936, showed only $514,000 of new bond issues and $20 millions of treasury bills.

No new corporation bond financing was offered in Aug., 1937, and the aggregate for eight months totals $121.6 millions against $173.7 millions in the same period of 1936.

• • •

Bank of Canada Statement

An interesting item in the Bank of Canada weekly statement for the week ending Sept. 1 is an increase of $11.6 millions in holdings of short-term Government securities and of $2.1 millions in other Government securities. This change was matched on the liabilities side of the balance sheet by a jump of $14.8 millions in deposits by chartered banks, indicating that the Bank of Canada has purchased this amount of short-term securities from the chartered banks. The Canadian chartered banks now have a total of $191.2 millions on deposit with the Bank of Canada and if this sum were to be all used as the basis for extension of credit it would permit the banks to loan about $1,912 millions on the usually accepted basis of $10 of credit for each $1 of deposits.

• • •

Trend of Prices

Trend of prices and yields on high-grade government bonds in the past week is shown from the table which follows:

Average Price and Yield for Seven High-Grade Government Bonds

1937	Price $	Yield %	1936	Price $	Yield %
Sept. 7	114.34	3.206	Sept. 4	117.79	2.978
Sept. 3	114.37	3.210	Sept. 3	117.71	2.986
Sept. 2	114.37	3.210	Sept. 2	117.71	2.986
Sept. 1	114.41	3.203	Sept. 1	117.66	2.987
Aug. 31	114.31	3.213	Aug. 31	117.68	2.987
Aug. 30	114.26	3.219	Aug. 29	117.66	2.988
Aug. 26	114.26	3.220	Aug. 28	117.70	2.986
Year's	3.206	116.81	Year's	2.966	117.91
Range	3.505	111.60	Range	3.597	111.50

Say Abitibi Bonds May Sell Higher

Dominion Securities Corp. Recommends Adoption of Bond Plan

What would Abitibi 5% bonds be worth upon completion of the bondholders' reorganization plan?

The Financial Post recently obtained an authoritative opinion that total value of new securities proposed for present bondholders would be around 115 to 125 per $100 of bonds, depending upon the future market in newsprint securities.

In less definite form, expectation of increased value is mentioned by Dominion Securities Corp., which is recommending acceptance of the bondholders' committee's plan for reorganization of Abitibi Power & Paper Co. In advocating acceptance of the proposals by bondholders, Dominion Securities states:

"We believe the plan is an attractive one from the bondholders' point of view and at the same time gives due recognition to the shareholders . . .

"It is our opinion that upon consummation of this plan the Abitibi 5% bonds, due 1953, or the parcel of new securities that you will receive in place of them, should command a price substantially in excess of the current market which is approximately 100; and over a period of two years it would be reasonable to expect that the price through the conversion privilege on bonds and debentures should be considerably enhanced."

In the past week's nervous slump in stock and bond markets, Abitibi 5's dropped below 90.

Union Officials Meet Dosco's President

From Our Own Correspondent

MONTREAL.—Nova Scotia officials of the United Mine Workers of America will confer with Arthur Cross, president of Dominion Steel and Coal Corp., in Montreal this week on matters pertaining to the relation of the union to the company.

The union is desirous of securing 100% unionization of miners in the company's mines, unionization of its railway workers and the opening of new coal mines by the corporation.

Representing the union at the conference will be Silby Barrett of Glace Bay, N.S., member of the international board of the union, and D. W. Morrison, district president.

WRIGHT HENDERSON
& Co., Ltd.
Investment Securities
Telephone MA. 6367
231 St. James St. W. Montreal

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads. payable in advance.

Fully Qualified Barrister

and solicitor with four years experience in a trust and mortgage company desires a position with a future in an industrial or financial corporation. Excellent references. Unmarried. Address Box 116, The Financial Post, Toronto, Ont.

Executive Available

YOUNG EXECUTIVE, 30 YEARS, desires position with financial institution in capacity of statistician or investment counsel. Ten years statistical and accounting experience in Bond and Stock business with well established firm. References available from present employer. Will locate anywhere in Canada. Box 117, The Financial Post, Toronto.

Chartered Accountant Available

EXECUTIVE CALIBRE — AGE 30, married; five years public accounting and auditing experience and four years as Income Tax Assessor, at present employed; desires responsible position, preferably with a major corporation where initiative and ability will be recognized and rewarded. Box 119, The Financial Post, Toronto, Ont.

CANADIAN CAR HEAD

Victor M. Drury, head of the Montreal investment firm of Drury & Co, has been elected president of the Canadian Car and Foundry Co. He succeeds the late W. W. Butler, who died in June. Mr. Drury is well known throughout Canada, being president of the E. B. Eddy Co., Hydro-Electric Securities Corp. and International Holding and Investment Co. He is vice-president of Foundation Co. of Canada and of Canadian Vickers Ltd. and a member of the board of directors of a number of other important industrial and public utility companies.

Spruce Falls Profits Gain

Newsprint Volume Aids Earnings Despite Higher Costs

Spruce Falls Power & Paper Co., controlled by Kimberley-Clark Corp., and the New York Times Co., reports net operating income more than doubled for the year ended April 30, 1937. As the company's publicly held bonds have all been redeemed, and none of its securities remain in the hands of the public, George Barber, secretary-treasurer, announces that it has been decided to discontinue in the future the public distribution of annual financial reports.

Particular interest in the report arises from the fact that the increase in income arises largely from an increase of 27.8% in volume and 33.5% in value of paper sales over the preceding year. And that sales of sulphite pulp were 12.5% greater in volume and 19.2% in value.

F. J. Sensenbrenner, president, comments that the increase of $1.50 a ton in the price of newsprint in 1937 is being absorbed by increases in wages and costs of materials. By inference, this indicates that improved earnings of paper companies in 1937 arise almost entirely from increased volume. Mr. Sensenbrenner says the company expects to operate its mill at capacity for the remainder of this year.

The refinancing of the company's $8 millions of first mortgage bonds was carried out by bank borrowings of $6 millions secured by first mortgage and unsecured loans of $2 millions "from other companies."

Income figures follow:

Income and Surplus Account Years Ended April 30

	1937 $	1936 $
Operating income	1,160,817	409,165
Less: Bond interest	440,000	531,667
Loan interest	25,625	......
Income taxes	90,000	......
Provincial taxes	44,748	25,504
Net profit	560,444	*148,006
Bond premium	90,000	......
Disc't on bond sale	98,308	......
Previous deficit	817,360	669,354
Deficit forward	445,224	817,360
Net working capital	†78,164	†105,520

*Loss. †Deficiency.

Walker's Merges U. S. Companies

Action Forecast at Annual Meeting Taken With No Change in Assets

Hiram Walker-Gooderham & Worts, Ltd., has announced the merger of two subsidiaries, Hiram Walker & Sons Distilleries, Inc., and Hiram Walker & Sons Inc., with the latter name that of the continuing corporation. This action has been taken as a result of recent legislation in the United States and does not affect the company's general position as the assets and liabilities remain the same. The move was forecast at the last annual meeting when it was suggested that it might be necessary to consolidate certain of the U. S. subsidiaries to avoid duplication of taxes.

Hiram Walker & Sons Distilleries Inc. was a wholly-owned subsidiary of Subsidiaries Holding Co., a Dominion incorporation which was in turn wholly owned by Hiram Walker-Gooderham & Worts. The continuing corporation, Hiram Walker & Sons Inc., owned and operated the Peoria distillery.

Under the terms of the indenture securing the 4¼% debentures of the company, Hiram Walker & Sons Distilleries Inc. assumed the joint and several obligation along with the parent company, Hiram Walker-Gooderham & Worts. This obligation has been assumed by Hiram Walker & Sons Inc. along with the parent company and the convertibility of the debentures is not affected.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	3.94	4.40
Can. Invest. Fund	4.40	4.75
All Can. Trustee	13.90	14.40
Trans Canada	14.10	....
Grouped Income	5.82	6.40
Can. Equity	11.50	....
Can. Int. Tr., modified	4.75	6.25
Do., unmodified	5.25	5.75

New Windsor Bonds Ready

Announcement Made of Exchange Under Refinancing Plan

Formal notice of the exchange of old debentures of the municipalities of East Windsor, Walkerville, Windsor and Sandwich for new debentures of the amalgamated city of Windsor has been given. This makes operative the plan for refinancing these municipalities which was approved by the Ontario Municipal Board in June, 1937. This does not include the Roman Catholic separate school debentures.

The exchange is being made by the Guaranty Trust Co., of Canada, Windsor, on and after the following dates: East Windsor (formerly Ford City), Sept. 20; Walkerville, Sept. 30; Windsor, Oct. 11; Sandwich and Walkerville-East Windsor Water Commission Oct. 21.

Holders of the debentures to be exchanged must obtain letters of transmissal from the Guaranty Trust Co., or any chartered bank or trust company and surrender their debentures with coupons maturing on and after the following dates attached: East Windsor, Oct. 1, 1931; Walkerville, Dec. 15, 1935; Windsor, Dec. 1, 1932; Sandwich, March 1, 1932; Walkerville-East Windsor Water Commission, Jan. 1, 1936.

Maximum Interest 4½%

The new debentures will mature Dec. 31, 1975. Interest will be payable in Canadian funds at the Canadian Bank of Commerce, Windsor, at the following rates: Sandwich, 1½%; East Windsor, 2%; Windsor, 3¼%; Walkerville, 4%. Additional interest, known as income interest, is payable in any year in which the city's operating expenses are in excess of $2.9 millions when the city must make available for debenture holders $125 for each $100 of such excess. Half of this will be paid as additional debenture interest and the remaining half will be paid into sinking fund. Total interest to be paid in any year on the new debentures is not to exceed 4½%.

Debenture holders will receive immediate payment of the proportion of past due interest which has been allowed, in the case of the different municipalities, by cashing coupons attached to the new debentures. This applies on interest which became due up to and including Dec. 31, 1935. Holders of old East Windsor debentures will receive 50% of such overdue interest, 15% in the case of Walkerville, 52% in the case of Windsor and 12% for Sandwich. Interest on the new debentures accrues from Jan. 1, 1936.

Details of Cash Payments

Cash payments to be received by holders of the various present debentures when they get their new securities have been calculated as follows:

Town of Walkerville Defaulted Dec. 14, 1935

	*5% Bond $	*6% Bond $
Accr. int., Dec. 31, 1935	2.33	2.80
To be paid on arrears	0.35	0.42
Add: 1936 interest	40.00	40.00
Int. due June 30, 1937	20.00	20.00
Total amount due	60.35	60.42

*$1,000 bond, interest payable Dec. 14.

City of Windsor Defaulted Feb. 1, 1933

	*5% Bond $	*6% Bond $
Accr. int., Dec. 31, 1935	171.00	205.00
52% settlement	89.00	106.50
Less: Paid in 1935	30.00	30.00
To be paid on arrears	59.00	76.50
Add: 1936 interest	32.50	32.50
Int. due June 30, 1937	16.25	16.25
Total amount due	107.75	125.25

*$1,000 bond, interest payable Feb. 1 and Aug. 1.

City of East Windsor Defaulted Oct. 1, 1931

	*5% Bond $	*6% Bond $
Accr. int., Dec. 31, 1935	237.00	285.00
To be paid on arrears	118.75	142.50
Add: 1936 interest	20.00	20.00
Int. due June 30, 1937	10.00	10.00
Total amount due	148.75	172.50

*$1,000 bond, interest payable Apr. 1 and Oct. 1.

Town of Sandwich Defaulted Mar. 1, 1932

	*5% Bond $	*6% Bond $
Accr. int., Dec. 31, 1935	216.67	260.00
To be paid on arrears	26.00	31.20
Add: 1936 interest	15.00	15.00
Int. due June 30, 1937	7.50	7.50
Total amount due	48.50	53.70

*$1,000 bond, interest payable Mar. 1 and Sept. 1.

Western Grocers Ltd. Maintains $3 Rate

Western Grocers Ltd., Winnipeg, has declared a dividend of 75 cents a share on the common shares, payable Oct. 15 to shareholders of record Sept. 20. The regular quarterly payment of $1.75 a share on the preferred has also been declared payable for the same dates.

The payment of 75 cents confirms the annual dividend rate of $3 a share established with a similar quarterly payment July 15. Prior to that time the quarterly rate was 60 cents a share or $2.40 annually.

Aid to Union Urged In British Columbia

(Continued from page 1)

to legislate trades unionization in this province, Hon. George S. Pearson, minister of labor, says that such an effort was not calculated to promote industrial peace.

"Outside labor interests are trying to force themselves upon workmen in certain industries in British Columbia without there being a definite desire upon the part of the men themselves to join the organizations being forced upon them," said Mr. Pearson. "Any legislation put on the statutes of British Columbia to give powers to workmen to organize must, in my opinion, also protect workmen against the intimidating forces of an organized minority."

Bank of Canada Buys Securities

Furtherance of an easy money policy is seen in purchase by the Bank of Canada last week of $14 millions of government securities. One of the largest investment changes made by the central bank in so short a time, it is reflected in an increase of almost $15 millions in deposits of the chartered banks with the Bank of Canada.

Apparently, the securities were purchased on the open market, probably from the chartered banks. Bulk of the purchases was short term, and most of these are now held by the banks.

Effect of the change has been to increase the cash reserves of the chartered banks, the means by which the Bank of Canada regulates the flow of credit. Theoretically, it should provide the basis for a further extension of credit.

Business Body Hears Of Dominion's Need For More Importation

(Continued from page 1)

Great Britain, Australasia or Africa."

Figures revealing the almost complete dependence of British Columbia on maintenance of its export trade in raw materials and primary-processed products were presented by Mr. MacMillan as follows:

Volume of B. C. Production Sold Outside Canada (1936)

	%	Millions of $
Lumber, logs	70	22.3
Base metals	100	14
Fish products	78	13.3
Pulp and paper	96	11.2
Shingles	77	6
Doors	97	2.9
Plywood	50	.6

Cheap ocean transport (now difficult or impossible to get) had combined with rich natural resources and the Empire preferences to build up the B.C. export trade, said Mr. MacMillan. The proportion of the United Kingdom market in lumber served by B.C. had increased in five years from 1% to 20%, in Australia from 20% to 90%—in both cases crowding out competition from the United States and Baltic countries.

Canadian Trade

Turning to British Columbia's trade relations with the rest of Canada, Mr. MacMillan estimated that the province was buying $80 millions worth of goods from the rest of Canada annually and selling only $30 millions. This adverse trade balance and the province's debt and other obligations outside the province were met by utilizing a credit balance of $60 millions produced by annual excess of exports over imports from abroad.

He continued:

"Although the Empire as a whole is British Columbia's greatest customer, the single country of greatest moment in our trade relations is the United States. To this country we export 50% more annually than we do to Canada, twice as much as we do to Asia and one third more than to Great Britain. We buy more from the United States than we do from any other outside area, save Canada.

Drop Trade Bars

"Our total trade with the United States exceeds $50 millions annually, fully half as much as our total trade with the rest of Canada. Several considerations would merit exploitation of the possibility of a prudent and mutually satisfactory reduction in trade restrictions between Canada and the United States."

Other highlights of the convention included addresses by Dr. S. G. Blaylock, general manager, Consolidated Mining and Smelting Co., on obligations of management; Hon. Michael Dwyer, Nova Scotia, minister of mines, in labor obligations; A. B. Purvis, president, Canadian Industries Ltd., obligations of government toward social security; Prof. W. W. Swanson, of Saskatoon, on transportation; W. Sanford Evans, of Winnipeg, on taxation; and Sir Edward Beatty, president, Canadian Pacific Railway.

The annual gathering proved a focal point for businessmen, industrialists and government officials from all parts of the Dominion.

Railway Problem

Danger and futility was foreseen by Professor Swanson, of the University of Saskatchewan department of economics, in a current tendency to rely on economic recovery to produce a basic solution for the Canadian railway problem with duplication of facilities, uneconomic competition and burdensome financial structures. No matter how much railway business and earnings improve, he declared, weakness in railway financial structures would continue, unsound public support of private enterprise would not be abolished, and operating costs could not be reduced sufficiently to permit freight rate decreases.

Co-ordination and, where possible, unification of existing railway facilities would not create monopoly, Professor Swanson argued, because railroads would still be subject to competition from water, highway and air facilities, and would be subject to a greater degree of public regulation than at present. Under the present set-up, he asserted, the Canadian railway problem had "burdened industry and enterprise with unwarranted costs, menaces the stability of national credit, and encourages continuance of disequilibrium in the Canadian economy."

Royal Commission's Task

In an address at the "National Relations" session of the convention, W. Sanford Evans of Winnipeg urged that the Royal Commission on Dominion-provincial relations take a broad outlook, and consider problems from the viewpoint of the citizen and in the light of the need for national unity. The undue expansion of the functions and taxing powers of provinces and municipalities, and the conflict of this expansion with the constitutional powers of the Dominion, was important but only one of the spheres for enquiry by the Commission, Mr. Evans felt.

He said:

"If the only cases to be presented by the Dominion and Provincial Governments and municipal councils are to relate mainly to details of administration and creating of common property in rights to tax, the Commission's title should be changed to: 'Board of Conciliation and Investigation in the matter of disputes within the Dominion-provincial Conference.'"

The address at the convention of Dr. S. G. Blaylock, of Consolidated Mining and Smelting Co., is reported on page 18 of this issue of The Financial Post.

B. C. Power Profits Rise

Directors Increase Class "A" Dividend to $2 a Share

From Our Own Correspondent

MONTREAL.—Earnings of British Columbia Power Corp. in the year ended June 30, 1937, amounted to $1.77 a share on the class A stock, compared with $1.64 a share last year. Dividend payments for the year on the class A stock amounted to $1.70 a share.

Total revenue for the year showed an increase of $957,832, amounting to $14,906,788. This increase was offset in part, however, by additional operating expenses and taxes so that net income available for fixed charges showed an increase of $301,584, amounting to $4,503,086.

Fixed Charges Increase

Bond interest, bond discount, exchange, and dividends on preferred stocks of subsidiary companies absorbed $2,736,856, an increase of $187,296 over the previous year.

Net profit for the year amounted to $1,766,288, compared with $1,641,942 in the year ended June 30, 1936.

The increase in fixed charges indicates that the company has not as yet derived any benefit from the refunding of its first mortgage bonds carried out last year because of non-recurring charges in connection with the refunding. In the current year, however, fixed charges should be reduced with beneficial effects on the company's profits.

Dividend Increased

Directors, in fact, have already indicated that profits in the current year will be higher since they have increased the dividend on the class A stock from $1.80 a share annually to $2 a share, a quarterly dividend of 50 cents a share having been declared payable Oct. 15 to shareholders of record Sept. 30. This is the second dividend increase in 1937, the quarterly dividend having been increased from 40 cents a share to 45 cents a share on April 15 last.

Dividends on the class A stock are now at the same level as in the 1929-33 period.

Bond Sales

Guelph, Ont.

The City of Guelph has sold $55,500 of 3% five-year installment bonds to A. E. Ames & Co. at 101.07, a cost basis of approximately 2.63%. A list of bids received includes the following:

	Bids
A. E. Ames & Co.	101.07
Bartlett, Cayley & Co.	101.02
R. A. Daly & Co.	100.95
Wood, Gundy & Co.	100.27
Harrison & Co.	100.27
McLeod, Young & Weir Co.	100.25
Dominion Securities Corp.	100.177
Bell, Gouinlock & Co.	100.11
Dyment, Anderson & Co.	100.09
J. L. Graham & Co.	99.67

• • •

St. Joseph de Grantham, Que.

The village of St. Joseph de Grantham has sold $75,000 of 4% serial bonds, due 1938-67, to Comptoir National de Placement at 101.0-, a cost basis of approximately 4.40%.

• • •

St. Colomb de Sillery, Que.

An issue of $42,000 of 4%, 20-year serial bonds of the Roman Catholic school board has been sold to Lagueux & Darveau Ltd. at 99.06, a cost basis of 4.10%. Bids received were as follows:

	Bids
Lagueux & Darveau	99.06
L. G. Beaubien & Co.	99.01
Credit Anglo-Francais Ltd.	98.72
Lucien Cote Inc.	98.19

Canadian Investment Securities

Enquiries Invited

BELL, GOUINLOCK & CO.
LIMITED
MONTREAL TORONTO WINNIPEG

Tomato Canners In Good Position

Canadian Canners May Benefit From Reduction in Supplies

"An exceedingly healthy picture" is the description of the market position for canned tomatoes outlined by Canadian Grocer, Toronto trade newspaper, in a commentary on a report of the Dominion Bureau of Statistics on stocks of canned foods.

The situation appears favorable to Canadian Canners Ltd., major packer of tomatoes, peas and corn.

Stocks of canned tomatoes held on July 1 by canners, wholesalers and chain stores were 346,579 cases compared with 975,950 cases at July 1, 1935. This bears out recent statements in Canadian Grocer that this year's tomato pack would come on a practically bare market. Increased consumption in Canada and high export trade account for the low tomato stocks. The pack last year was 2,281,000 cases.

Stocks of peas and corn showed an increase on July 1 in comparison with stocks two years before. Peas totalled 520,535 cases against 333,279 in 1935; corn, 407,392 against 234,311.

New Crops Substantial

It is pointed out that since the report was compiled a new crop of peas and corn has come in, but that of the stocks on hand July 1 considerable quantities have moved into consumption.

Frost damage is sometimes a threat to the tomato pack but barring that there is a prospect of a larger pack than last year.

Profitable marketing of canned tomatoes this year, if the pack is as large as expected, depends to some extent upon maintenance of export business. In the last year there has been a substantial movement of Canadian tomatoes to Great Britain.

Municipal Finances

Prince Albert, Sask., had a surplus of current revenue expenditure of $13,327 in 1936 compared with $9,692 in 1935. Bank loan of $140,000 at Dec. 31, 1936, was $14,000 lower than a year earlier. Debenture debt increased $21,614 to $3.4 millions but sinking fund was $105,637 higher, making a net reduction in debt of $84,023 in the year. Details of the municipality's position follow:

Population: 1936, 11,049. Area, 9,712 acres.

Income and Assessment Year Ended Dec. 31, 1936

	$
Current revenue	389,249
Current expenditure	375,922
Assessed value for taxation	6,893,081
Exemptions not included	3,621,898

Tax rate, 1936. General, 12.93; debenture, 13.77; high school, 3.90; public school, 14.40; separate school, 11.90; prov. rev., 2; total, 48 and 45.50 mills.

Total tax arrears, $462,787; last year's levy, $370,605; uncollected, $136,432.

Assets and Liabilities

	$
Total debenture debt	3,442,348
Total sinking fund	1,150,040
Bank loans	140,000
Other liabilities	193,572

Japan Offers Import Credits On B.C. Goods

Raw Materials Essential to War Time Given Preference

From Our Own Correspondent

VANCOUVER.—Despite war conditions and partly because of them Japan wants British Columbia's raw materials. A few weeks ago steps were taken to reduce the tariff on some of the so-called "essential goods" from British Columbia—such as copper, lead, zinc and iron. Now the Japanese Government has drawn up a list of categories specifying the preference to be given them in the matter of import credits.

While Japan is financing a war in China, she is forced to tighten her purse strings on everything but the goods regarded as indispensable. In this list of indispensable goods Japan has included lumber, metals and scrap iron—all obtained in considerable volume in British Columbia.

Salt fish is the only product of British Columbia which Japan seems likely to regard as non-essential or secondary.

All this means that Japan will provide adequate credits for the financing of purchases of the B. C. products listed, and will do its best to find shipping for them.

This has been one of the difficulties in the past in connection with Far Eastern business—lack of ship tonnage. There has been a scarcity of ships since early spring, and this has applied not only to the Oriental routes but to the United Kingdom and other important markets for British Columbia's raw materials.

Lumber operators here are anxious just now regarding the course of the market, influenced very strongly by the freight situation. Apart altogether from the Orient, the buying of lumber has been drastically curtailed in recent weeks. With the freight on lumber costing 100 shillings a thousand feet, a figure reached this week, British buyers of lumber are thinking twice before closing with B. C. sawmills for large consignments. Not many months ago the rate was below 40 shillings.

The Far Eastern market is virtually dead, although Japan will probably resume buying as soon as emergency conditions are straightened out. China, however, will probably stay out of the market for some time. Eventually China will need large quantities of lumber for reconstruction, but with all her funds needed for defense and her ports blockaded by Japanese ships of war there is small prospect of her buying now.

City of Windsor

Notice of exchange of Debentures under Plan for funding and refunding the debts of the Amalgamated Municipalities of East Windsor, Walkerville, Windsor and Sandwich.

Guaranty Trust Company of Canada, the Transfer Agent under the Plan for funding and refunding the debts of the Amalgamated Municipalities of East Windsor (formerly Ford City), Walkerville, Windsor and Sandwich, has been advised by the City of Windsor and the Fiscal Agent thereof that the said Plan has been approved by The Ontario Municipal Board and is now operative.

This Plan does not include the R. C. Separate School Debentures.

The Fiscal Agent of the City of Windsor has been instructed to deliver to the Guaranty Trust Company of Canada the new Debentures of the City of Windsor to be issued in exchange for the old Debentures of the Amalgamated Municipalities of East Windsor, Walkerville, Windsor and Sandwich and of The Walkerville-East Windsor Water Commission. All holders of Debentures of the said Amalgamated Municipalities of East Windsor or Ford City, Walkerville, Windsor and Sandwich and of The Walkerville-East Windsor Water Commission are requested to forward to the Guaranty Trust Company of Canada at Windsor, Ont., their Debentures together with all coupons attached thereto maturing on and after the following respective dates:

Municipality	*Date*
East Windsor	1st October 1931
Walkerville	15th December 1935
Windsor	1st December 1932
Sandwich	1st March 1932
The Walkerville-East Windsor Water Commission	1st January 1936

in exchange for a like principal amount of new Debentures of the City of Windsor on the basis outlined in said Plan.

These Debentures will be accepted for exchange only at the Windsor Office of Guaranty Trust Company of Canada on and after the following dates: East Windsor (formerly Ford City), Sept. 20, 1937; Walkerville, Sept. 30, 1937; Windsor, Oct. 11, 1937; Sandwich and the Walkerville-East Windsor Water Commission, Oct. 21, 1937.

Letters of Transmittal in the form approved by the City of Windsor and the Fiscal Agent must accompany the Debentures delivered to the Guaranty Trust Company of Canada for exchange as aforesaid. Do not forward Debentures to the undersigned unless accompanied by a Letter of Transmittal.

Letters of Transmittal may be obtained at the Offices of Guaranty Trust Company of Canada, 190 London St. West, at Windsor, Ontario, or at 70 Richmond Street West, Toronto, or at the principal office of any chartered Bank or Trust Company in Canada.

It is suggested that in forwarding any Debentures the holders should do so by registered post insured.

DATED this First day of September, 1937.

GUARANTY TRUST COMPANY OF CANADA
Transfer Agent

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
St. Colomb De Sillery R. C. School	Aug.	Lagueux & Darveau	4%	1938-57	$42,000	99.06	.....
St. Joseph de Grantham	Aug.	Comptoir National de Placement	4½%	1938-67	75,000	101.01	4.40%
Guelph	Sept.	A. E. Ames & Co.	3%	5-yr.	55,500	101.07	2.63%

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of All Canadian Financial Papers

Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

THE FINANCIAL POST BUSINESS YEAR BOOK, YEARLY, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, YEARLY, $2.
THE FINANCIAL POST SURVEY OF MINES, YEARLY, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES, HALF YEARLY, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE, $20 monthly. Special prices for individually selected investor's service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS, YEARLY, $10.
THE FINANCIAL POST SURVEY OF CANADIAN OILS, YEARLY, $1.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Avenue, Toronto 2.
Founder and Chairman—JOHN BAYNE MACLEAN
President — HORACE T. HUNTER
Vice-President and General Manager—
H. VICTOR TYRRELL

ADVERTISING RATES
Single insertion—$3.64 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $8.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor

GREAT BRITAIN, London—Resident representative, J. K. Ross-Duggan, Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1. Telegraphic Address, Atabek, Lesquare, London.

TORONTO, SEPTEMBER 11, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

The West Can Come Back

CROP results in Manitoba this year should arouse a good deal of encouragement as to the future of the West as a whole, by indicating the recuperative power in western agriculture. Yields of wheat, oats and barley are the highest in many years. Abundant pasture and hay crops, good condition of and satisfactory prices for livestock, together with abundantly yielding gardens, all combine to give the province a far higher yield from its agriculture than has been experienced for many years.

The Manitoba Free Press publishes a calculation giving the estimated cash value of wheat, oats and barley crops, after deducting freight rates and seed requirements, to be $84,000,000 this year, as against $43,806,000 in 1936, and an average of $27,842,000 for the five preceding years.

Manitoba agriculture passed through a period when, owing to a combination of poor crops and low prices, each succeeding year found farmers somewhat worse off at the end than at the beginning, with a steadily mounting total of farm indebtedness. The current year, on the contrary, is evidently producing a net surplus to the extent of many millions of dollars. Some of the surplus will undoubtedly go into debt reduction, but millions of it will also mean new purchasing power, either in the way of restoring or renewing farm equipment, or in addition to living standards.

One of the bright spots in the Manitoba picture is that the menace of rust seems to be disappearing. Manitoba, with somewhat more abundant rainfall than either Saskatchewan or Alberta, has lost possible wheat production in the past to an aggregate value of tens of millions of dollars. Long search for a rust-resistant variety has at last been rewarded by the production of Thatcher wheat, which promises to add greatly to the value of Manitoba's wheat lands, while further research and plant breeding may effect still greater improvement.

Deficits Are Dangerous

IN A report on the national debt and governmental credit of the United States the Twentieth Century Fund, a New York research organization, comments that a continuance of deficit financing, although necessary in the depths of a depression, is dangerous and unnecessary in a period of recovery.

If this is true of the United States, it is even more true of Canada, which is a much less wealthy country than its neighbor to the south.

Although Canada has entered the fifth year of recovery the question of public finance continues to be of deep concern to industry as deficits continue large. Continuance of deficits is, in fact, retarding business recovery. Although business has improved, confidence in governments has not been restored. With debt expansion continuing, business is afraid that taxes will have to be sharply increased and that there may be a breakdown of public credit. The latter would entail a breakdown of credit in general, with disastrous consequences to business. Under such circumstances businessmen are naturally very hesitant to undertake commitments extending more than a short period, an attitude which goes far toward explaining the tardiness of expansion in output and employment in construction and other heavy industries.

The dangers inherent in continued deficits in a period of recovery have been pointed out by The Financial Post on numerous occasions. Unbalanced budgets may be essential in a period of business depression, but if budgets are to be unbalanced and debt increased in bad times then budgets must be balanced and debt reduced in good times. A continuous increase in debt can only lead, as with a private individual, to bankruptcy. Bankruptcy of governments leads to either repudiation of debts or inflation.

Even if a nation's debt is not repudiated, and even if inflation is avoided, there are grave disadvantages in a large national debt. It entails a large debt service with a consequent drain upon tax revenues and reduces the amount of tax receipts available for other government expenditures. This is one of the disadvantages with which the three Prairie Provinces are faced at the present time. Furthermore, it encourages the government to promote easy money in order to facilitate the flotation of its securities; and easy money, even though it may not lead to inflation, tends to encourage a speculative boom.

The real concern is not for the present but for the future. If Canada is to be in a position to alleviate the effects of the next depression (and no one claims the problem of the business cycle has been solved) then government budgets must be balanced and debt piled up during the recent depression paid off. Unless this is done Canada may find it impossible to unbalance governmental budgets with the advent of the next depression and may even find it necessary to increase taxes further.

Such a possibility should be avoided at all costs as increased taxes only serve to deepen a depression and the only guarantee against such a possibility is a sound credit standing. At the moment, Canada's credit is secure, but if government deficits are permitted to continue it will be weakened. In the long run a balanced budget is the only guarantee of sound government credit.

What is needed at the moment is not a precise equalization of revenues and expenditures in any single year, but the paying off of debts contracted during the depression with surpluses available during prosperity. In order to accomplish this there will have to be a change in the policy of the Dominion Government and expenditures will have to be reduced. Increases in revenues must not be regarded as a justification for new spending as was the case in the 1936-37 fiscal year when ordinary expenditures increased by $19 millions to reach a new peak.

Exploiting the Wage-worker

WHEN the NRA was introduced into the United States it was pointed out that its provisions were modelled upon the "trade stabilization" practices of Chicago racketeers, such as Al Capone. Racketeering in that city, as well as in New York, took the form of enforcing rigid standards of practice in a trade or industry at the point of a sub-machine gun. NRA adopted most of the practices but enforced them at the point of court injunctions and orders of industrial boards.

So often is an idea or principle, which the community may be willing to accept within the limitations of legal or social controls, exploited for profit by venal groups.

At this time public sympathy for the laboring man and the workers' desire to organize are both being exploited by power-grasping and money-greedy individuals who pose as Labor leaders. Dr. Nicholas Murray Butler, veteran president of Columbia University, painted the picture, as it applies to the United States and in smaller measure to Canada, this week when he said:

> ". . . wage earners are quite innocently being exploited on a large scale by . . . racketeers. Nothing is doing so great damage to the interests of the wage-worker as this exploitation. His sympathies, his emotions and his fears are played upon. He is compelled to take action in which he does not believe and to make payments he does not desire to make, under the threat of denunciation or persecution for disloyalty to his fellow wage-earners.
>
> "Not only hundreds but thousands of wage-workers who have had no desire whatever to lay down their tools have been compelled by their so-called leaders to engage in strikes under the guise of promoting the interests of wage-workers, while all that was really at stake was the glorification of these unworthy leaders and the satisfaction of their thirst for power.
>
> "The truth of this statement is demonstrated by the frequency with which strikes are organized and called when the wage-workers themselves are either entirely satisfied with the conditions under which they work or would be able quickly to adjust any differences with their employers through conference or arbitration."

Recent revelations have indicated the insincerity and callousness of some of these exploiters of labor and public opinion. Harper's Magazine in July published the frank confession of a university professor, who spent several years as an active worker in the Communist party until sheer disgust at the dishonesty of the work he was asked to do forced him to retire. The Forum published in August the recital of a labor organizer who told how he exploited workers solely for the dues he collected.

National Outlook Essential

IF THE study which is to be made by the recently appointed Rowell Commission on the relations of the Dominion and the provinces is to succeed, then the sympathetic co-operation of every provincial and municipal government and every public body will be necessary. It is essential that the national viewpoint be kept to the fore in the preparation of briefs.

A serious obstacle to the solution of national problems in Canada is the provincialism of many public men and citizens. Canada is not a loose collection of provinces and the first duty of a citizen is not to his province. The larger duty of every citizen is to the country as a whole.

One of the questions to be discussed during the course of the enquiry is Federal subsidies to the provinces, and it is to be hoped that this will not degenerate to the level of past discussions on this subject. In the past some of the provinces have made demands for increased subsidies at every opportunity and have taken the view that the Dominion treasury is a "bottomless money bag." Very often there has been little basis for the demands of the provinces, the claims being supported by misleading analogies, garbled statistics and bold assertions.

In this connection it is of interest to note the comments of Prof. James A. Maxwell in his recent book, "Federal Subsidies to Provincial Governments in Canada," in reviewing the evidence before the Duncan Commission on maritime rights. He says:

> "The whole course of provincial history since the 1860's was distorted and even falsified, in an attempt to convince the commission that the Maritime governments were entitled to larger subsidies."

Some of the provinces, of necessity, will make demands for financial assistance, but most provinces should devote themselves primarily to such questions as more economy and efficiency in administration and to possibilities of reduction in taxation through elimination of duplication.

Making Use of Power

M. J. COLDWELL, C.C.F. member of Parliament for a Saskatchewan constituency, cited an example the other day of the amazing multiplication of human power by modern mechanical sources of energy. There are 36 men working in a power plant at Niagara Falls that produces electrical energy equivalent to the power of four million men.

The illustration leads a writer in The People's Weekly, C.C.F., of Edmonton, to speculate upon "the impossibility of any solution of the unemployment problem under the present economic set-up."

The argument starts off logically and clearly. It is no solution of the problem to abolish machinery and go back to creating manual labor to keep people busy.

> "Any attempt to use man power in place of mechanical power becomes obviously stupid and ridiculous. It amounts to mere finding of tasks, not useful labor. It is revolting to the men who do it and looks stupid to those who observe such attempts. This is no solution of the problem of unemployment. Men want to do useful work and they want to avail themselves of the mechanical means at hand. It degrades them to go back to the shovel when steam shovels are resting idle in the tool sheds."

But the solution that is suggested is a striking non sequitur. "The millions of mechanical slaves must become the servants of the community instead of a few privileged individuals."

The C.C.F. writer does not say which plant it was that Mr. Coldwell visited, but it was probably the Queenston-Chippewa generating plant of the Ontario Hydro-Electric Power Commission—which is owned by the people. The remedy cannot be found in socializing this plant because it is already socialized.

There are two ways in which society can take advantage of the marvellous producing power of modern machinery. One is by a gradually shortening of hours of toil and an increase in the hours of leisure. Another is by a steady raising of the standard of living so that the ability to produce more satisfaction is turned to the benefit of everyone.

Is it necessary to have Socialism to accomplish this? Under the present system of individual initiative the average working week has been cut almost in two within a century; the average standard of living in civilized countries has been multiplied manifold.

Editorials in Brief

Slight typographical errors often make a profound change in meaning. In the last of the three very informative articles on Germany written by Murray R. Chipman, he was made to say that "the rôle of the outsider is to be patient, to co-operate in reviving economic pressures . . ." Obviously many readers will have realized that what Mr. Chipman wrote was "to co-operate in relieving economic pressures."

• • •

"Today with rearmament demanding vast quantities of steel, the search for new ore sources and the battle for possession of the old sources has become acute."

So says the Whaley-Eaton Foreign Letter, issued from Washington. British North America is not ill supplied with iron ore. Newfoundland's deposits are extensive and are becoming an increasing factor in the prosperity of the island and of Dominion Steel and Coal Corporation, which works them. Northern Ontario's famous Helen Mine is coming into production under the vigorous impulse of the Ontario iron ore bounty and the development plans of Sir James Dunn's Algoma Steel Corporation.

There are other more or less accessible sources of iron ore in British Columbia, around Hudson Bay and in the heart of Labrador. They may, within the lifetime of men and women now living, provide the basis of important industrial developments.

• • •

Sayings of the Week

"All my thoughts are bent on preventing war." —*Benito Mussolini.*

• • •

"Italy does not confess intervention in Spain. It proclaims it."—*Leon Blum.*

• • •

"The relationship between art and religion is the passion for perfection."—*Thomas Mann.*

• • •

"The only real security is courage, yet we let fear rather than courage determine our national policy."—*Roger Babson.*

• • •

"Use force if necessary to keep the American soldier at home and the United States from foreign entanglements." — *Maj. Gen. Smedley Butler.*

• • •

"It is well for us to remember that the trade union movement has grown to its present legal proportions over a rough road of human suffering and poverty."—*Hon. Norman Rogers.*

• • •

"I think the time will come when most—if not all—diseases common to mankind will be whipped before they begin. Right living is the real cure for disease by preventing disease."—*Henry Ford.*

• • •

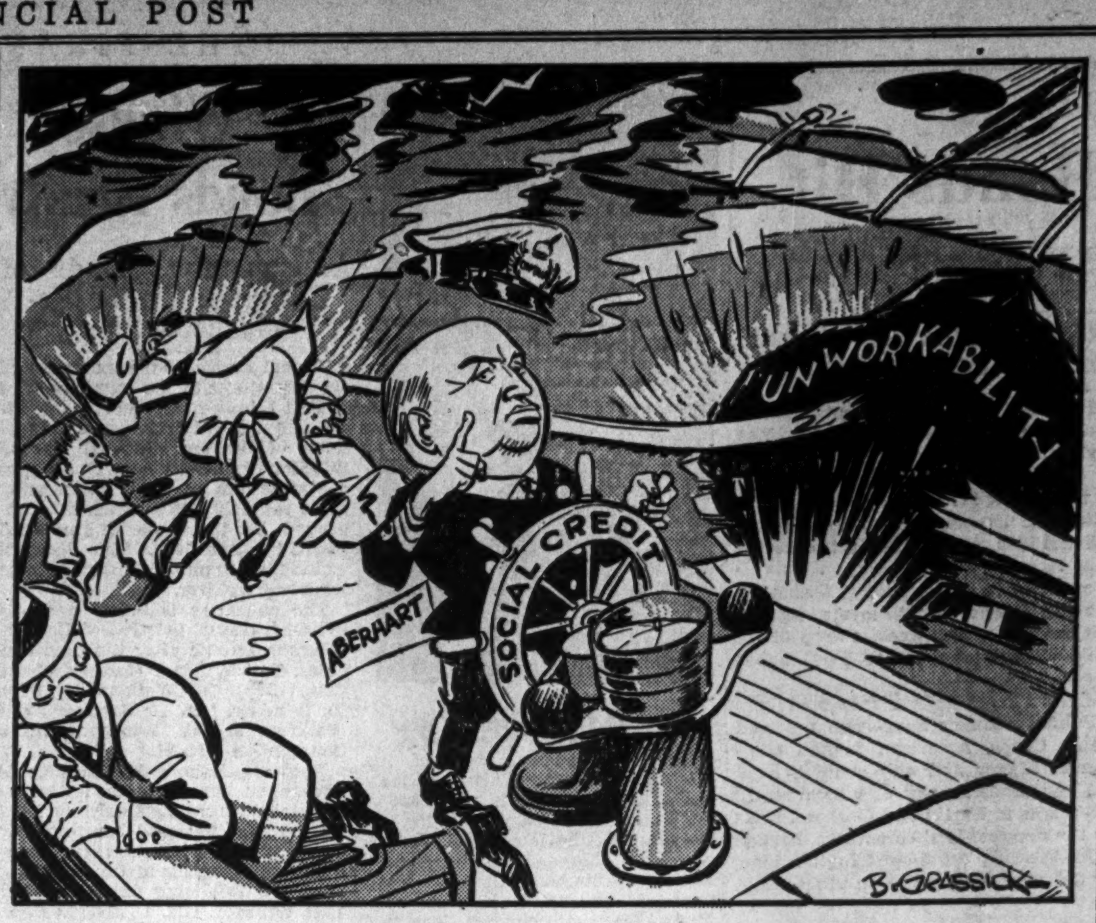
"Because half a million people are living in poor social conditions the Communist sees red and is willing to drag forty-eight and a half million people to the same equality." — *Sir Philip Gibbs.*

• • •

"The general ignorance—even in respectable quarters—of some of the most elementary realities of political and social life is mainly responsible for much of the discomfort and menace of our times."—*H. G. Wells.*

• • •

"Economic nationalism is today engaged in the perfectly futile endeavor to make the national market independent of the world market, a policy which can have but one end, overwhelming disaster to the nations themselves." — *Nicholas Murray Butler.*



—*Cartoon by Grassick.*

"Be calm, boys. The charts don't show those rocks so they can't be there."

New Books

British Investment

A STUDY OF THE CAPITAL MARKET IN POST-WAR BRITAIN. By A. T. K. Grant. Published by the Macmillan Co. of Canada, Toronto. Price, $4.

The capital market, in which investors obtain either security or promise of profit, and in which industries and governments obtain money with which to carry on, has changed radically in Britain since pre-war days. Britain lends less abroad but there have been greater opportunities in home industries. The market has come under the influence of highly significant measures of Government control, particularly through monetary policy.

Aided by a grant from the Leverhulme Trust, the author of this volume has made an intensive survey of the present-day state of financing in Britain, with commentary both upon the contrast between today's methods and those of the days before the war, and upon the probable future of public financing. He feels that as population declines in Britain, venturesome investment opportunities may also dwindle, in which case more emphasis will be put upon security. This may lead to a larger intervention on the part of the State to mobilize and protect investment funds.

Notes on Books

"The Twentieth Century in the Far East" is the title of a study by P. H. B. Kent, a senior member of the English bar in China. It will be published by Longmans, Green and Company, Toronto.

An authorized biography of Léon Blum, ex-Premier of France, has been written by Geoffrey Fraser and Thadée Natanson and is on the Lippincott fall list.

Col. Theodore Roosevelt has completed a study of "Colonial Policies of the United States" that will be issued with the Doubleday, Doran imprint. From the same house will come the sixth volume of Ray Stannard Baker's "Life and Letters of Woodrow Wilson." This covers the period of 1916 and 1917.

Longmans, Green have three books on the Spanish war. They are "Red Terror in Madrid," by Luis de Fonteriz, "War in Spain," by Fred White and "And Then The Storm," by Sister Monica.

Utility Commissions

ASPECTS OF THE ORGANIZATION, FUNCTIONS AND FINANCING OF STATE PUBLIC UTILITY COMMISSIONS. By C. O. Ruggles. Published by Harvard University Graduate School of Business Administration, Boston, Mass. Price, $1.00.

Because of the increased regulation to which utility companies are being subjected, this critical appraisal of the value and services as well as the shortcomings of state public utility commission in the United States is timely to say the least.

The study traces the historical development of commissions and contains a detailed analysis and comparison of the scope of authority and functions of the commission in various states.

The jurisdiction of a commission, the author points out, involves difficult social and economic issues, and there is a lack of specific powers vested in the various commissions over the different types of utilities. He feels, however, that the utility companies will make a serious mistake if they oppose much extension of commission jurisdiction on the grounds that it is interference with management for there is a vast difference between regulation which interferes with management and regulation which holds management responsible for reasonable results.

The work of these commissions is put on a high plane for the author states that it "is as vital to the people as is the work of the judiciary itself." Salaries for commissioners equal to those paid to the highest judiciary positions in the state are advocated.

Stressing the danger of political interference and use of utilities for political purposes, Prof. Ruggles concludes that state public utility commissions would be necessary even if utilities were Government owned and controlled.

Sales Tax — Canada

SALES TAX, CANADA—Compiled and edited by R. N. McCormick. Published by the Canadian Manufacturers' Association. Price $5.

Since the original sales tax came into force as a special war revenue measure, computation of the levy on different classes of goods has proved a fruitful source of confusion, but also incidentally of wealth to the Federal treasury. Changes in the percentage of collection and frequent revisions of the act have further complicated the matter. It is simple enough to pass a tax along where an article is bought in a large lot, simply broken up into so many smaller units and turned over to the ultimate consumer, but manufacturing and merchandising is generally a much more intricate process. Much material is entirely consumed right in the factory and never reaches even a wholesaler. Again in distribution there are greatly different situations, goods in some cases proceeding through regular and definite channels and in others going direct from manufacturer to consumer. All of such unusual circumstances have been fully dealt with by Mr. McCormick who in addition to outlining all official regulations explains how actual computations are made. Ten full pages of index cover the whole range of industry and business.

As Others See Us . . . . .

Plenty of Advisers
St. Catharines Standard

The Financial Post declares that, when Prime Minister, Mr. Bennett, trained no one to follow him in his leadership. That is very true, but the Conservative party today is not lacking in coaches and instructors, they seem to abound everywhere.

Where They Land
The Toronto Star

"Why don't taxes come down?" asks The Financial Post. But they do come down. And smack on top of the taxpayer at that.

For a Co-operating World
Calgary Albertan

Sir George Paish, who is economic adviser to the Treasury in the United Kingdom, is author of a series in The Financial Post in which he starts by postulating that economic extremity has created the present world situation.

On the economic side, Sir George asks why every government in the world has had to resort to the artificial fostering of their people's buying power. The answer, he says, to all these questions is that:

"The economic situation is so dangerous and the outlook so uncertain that these measures were imperative in order to prevent a complete breakdown of trade and of credit in every country in the world which, if it occurred, would cause such privation that political upheavals would become inevitable."

It seems to be Sir George Paish's opinion that the world has retrogressed since the war, for before that "the principle of interdependence was recognized in far greater measure than it is realized today" and in less than a single pre-war century "the world's income increased five times and its international trade no less than 12 times." Here is the voice of no dreamer but of one who faces facts as he finds them and reasons his proposition only from the standpoint of cold-blooded science. Force, as he says, is not the remedy. What is, then? Can it be free trade? Or, if that be still too hard of realization, freer trade?

Where The Leaders Are
Moose Jaw Times-Herald

"Had Mr. Bennett resigned, it would not have surprised Federal observers if the Conservative Party had lapsed into the throes of disintegration, due to the dearth of leadership material," writes Norman M. McLeod in The Financial Post.

These Federal observers must be star-gazing and therefore cannot see the rank and file, the only place where leaders are to be found.

Unfriendly U. S. Magazines
Vancouver Province

The Financial Post recently had a field day strafing American publications circulating in Canada. After very rightly condemning the so-called "Canadian" issue of Liberty for its inflammatory and ridiculous article called "England Doesn't Like Us," and finding that the whole magazine is what it calls a "muckraker," The Post goes on to take a long-deferred but quite just swipe at Time.

It asks, in effect, why it is that United States publications that are allowed free access to this country are so unwilling to give unbiased reports in an informed manner of British affairs as they affect the larger world.

In particular, The Post points to the coverage of Time upon the historic conclusions of the Royal Commission on the future of Palestine. Its readers were informed that in order to enlist the support of both Jews and Arabs during the Great War, Britain "double-crossed" both races by promising each incompatible concessions.

It is known, The Post continues, as a matter of history, that when the mandate was originally given Britain, leaders of both races believed, as Britain believed, that the pledges were compatible. Each race knew what the other race had been promised and there was no secrecy whatever. It is the spirit of tribalism that has grown throughout the world in the somewhat long period since the war in conjunction with world conditions that has produced the present situation.

Time knows that as well as we do, for it enjoys the highest sources of information. This fact makes its wilful distortion of British news all the more unethical from a news point of view.

A point that The Post does not mention is the continued implied contempt that this magazine showers upon the royal family in any items of news that call for comment in its columns. Not content with belittling the royal family, it also is contemptuous of the more democratic institutions of the country and, throughout his public career, always referred to the ex-Prime Minister as "Bumbling Baldwin."

The curious thing is that in these circumstances the Canadian public continues to buy these magazines.

"The Way Out"
Moose Jaw Times-Herald

Sir George Paish, who achieved world renown in 1928 by his forecast of the complete collapse of the unprecedented world prosperity that then prevailed, in the first of a series of articles published exclusively in The Financial Post, warns against world disaster, but also points to the way out of chaos.

He says: "The present danger has arisen because everyone is working in a separate compartment and does not understand or appreciate the relationship of his own activities to the common activities of his fellow men. This applies to nations as well as to individuals. Each person imagines that he has merely to consider his own narrow interest and all will be well; and does not realize that unless his interest is in line with the common interest, sooner or later disaster is inevitable."

In pointing to the "way out" of chaos, he lays great emphasis upon the need of neighborliness among the nations of the world; and quotes that very wise statement made collectively by the world's greatest men in business before the breakdown in 1929, in their effort to prevent that breakdown. They said: "Your neighbors are your customers and their welfare is essential to your own well-being."

This brings to our mind the statement made on many a platform during the last Federal election campaign, and since, by Premier W. L. Mackenzie King, namely, that what the world needs is to give practical application of the Golden Rule in international relationships and dealings.

This indeed is the key to "The Way Out," as Sir George Paish sees it.

In the Mail . .

Paish on Gold

Editor, The Financial Post:

I wonder if, in Sir George Paish's article dealing with gold, he is not pulling everyone's leg.

All who were consulted seem to have overlooked the fact that Sir George has just repeated every undigested and outright foolish statement that has been made by the press of this continent ever since Mr. Roosevelt chose to unnecessarily devalue his currency rather than distribute his population on a pre-war basis.

The most obviously incorrect of these repetitions of his is the statement about the gold lying in the vaults of Great Britain and United States being "used for no sort of purpose whatsoever."

Almost any 10-year-old school girl, I would suggest, now knows that this gold is backing every contractual obligation in Great Britain and United States as well as a great portion of foreign savings.

If Sir George won't agree to this statement, I shall be glad to trade him some defunct German and Russian bonds, insurance policies and currency for half their face value in gold.

R. P. ROBERTS,
Vancouver.

A. G. Street on the West

Editor, The Financial Post:

The article "Has the West a Future?" by A. G. Street, appearing in the Aug. 21 issue has been forwarded to me by a friend. Having a bearing on the agricultural work being put into effect by me successfully under the most adverse conditions I can say the West has a future and this may be assured as soon as agriculture is taken out of the hands of politicians and political agronomists and present methods practiced discarded in farming.

Present conditions were predicted some years ago and offers to assist and change them for the better made to your government were refused though guaranteed for success. The reply received was that everything was satisfactory. Only as recently as a month ago I received the same answer.

There is no question that the Canadian West may be rehabilitated agriculturally permanently. The proof is being had in the work done and going on.

Agricultural conditions are serious and changes must take place if the stability and economic prosperity of your country and this country are to be assured and their lives as nations perpetuated for the future.

HOWARD D. SALINS,
Managing Director,
Flax and Fibre Institute of America,
Chicago, Ill.

Golden Rule in Trade

Editor, The Financial Post:

Many statesmen, in the different nations of the world would make you believe that the economic side of life is the sole trouble for all the nations ills, wars and rumors of wars. On the other hand, it would appear that the economic side of life would soon adjust itself, if the people of the world would only practice the Golden Rule, in a more Christian spirit. This particularly applies to our leaders and statesmen, who give leadership and direction to the people of the nations. If we only had more christian thinking and leadership, the economic side of life of the nations would soon take care of itself, both at home and abroad.

When these statesmen make unjust treaties, for the minority of the nations, and practise militarism instead of Christianity, there can be only one outcome; dissension, prejudice, mistrust, wars and rumors of wars that waste the world's substance, and bring hardships on the peoples of the world in which position the whole world is today.

Until we can have Christian leadership in the world conditions are bound to go from bad to worse, and eventually the nations of the world will finally destroy themselves in a great world conflict that might not be at a too distant date.

A. MacINTYRE BRUCE,
St. Thomas, Ont.

Other People's Views

Solution
Calgary Herald

In certain marked respects the present state of economic "reform" in Alberta is reminiscent of a defense plan for England evolved by the late Will Rogers during the Great War. He was asked what he would do about the submarine menace.

"Simple," said Will. "Can a submarine operate in boiling water?"

"Of course not," was the answer.

"Well then, boil the sea."

"Yes, but how?"

"Oh, you'll have to get your experts to tell you that. I'm only a cowboy."

Wealth and the Press
Saskatoon Star-Phoenix

As far as the Star-Phoenix is aware the "attempt of certain wealthy men to control the metropolitan English-speaking press of eastern Canada" does not offer much evidence of the growth of Fascism. Presumably the "wealthy men" are those who now own the Toronto Globe and Mail and are thought to have their eyes on the Montreal morning paper. Most of the metropolitan English-speaking newspapers of eastern Canada are already owned by wealthy men. Certainly one would not class the owner of the Montreal Star or the Toronto Star in any other category.

Thirty-seven Billions
New York Times

The United States treasury borrowed a little more from the banks recently, and the consequence is that for the first time in this country's history the national debt has crossed the 37-billion-dollar mark. For most of us this is like reading that Finsler's comet was within 56 million miles of the earth a fortnight ago before it curved out again into space. Figures like these are too large to be easily comprehensible. But what can be more readily understood, in the case of the national debt, is that it has doubled in the last six years; that the per capita debt is now nearly 25 times as large as it was in the year before the war, and that the cost of carrying this debt imposes a charge on every salaried person and every wage-earner in the country, either through direct taxation, through one or another of a dozen different kinds of indirect taxation, or through an increase in the cost of living.

Good Times in Australia
The Times, London

Mr. Lyons will soon ask the country to return him as Prime Minister for his third term. The elections will be strenuously fought, and the sound of heavy thunder on the Left already makes itself heard. A record of good administration and an important personal contribution to the appeasement of a troubled period will strengthen his title to support. He claims that during his administrations the tax burden has been lightened by £15,500,000, the huge sum of £55,000,000 of Federal revenue has been returned to the States in various payments, and many salaries and pensions which had been reduced in 1931 have been restored. Australians, like electors in every country, tend at election time to regard such things as the Great Seal of good government.

Oft Hard to Acquire
Letter in the Calgary Herald

Editor, the Herald:

I was much interested on seeing my grandson's diploma for passing grade VIII and amused to notice the signature of William Aberhart as Minister of Education with this quotation beneath: "Happy is the man that findeth wisdom and the man that getteth understanding." Comment is unnecessary.

W. B. GOVER,
Calgary.

StopMe If You've Heard This One . .

Patient—Tell me candidly, doctor, do you think I'll pull through?

Doctor—Oh you're bound to get well. You can't help yourself. The Medical Record shows that out of 100 cases like yours 1% invariably recovers. I've treated 99 cases and every one of them died. Why man alive, you can't die if you try! There's no humbug in statistics.

Week in Business

Fall Business Outlook Moderately Prosperous

See Big Export to United States Continuing — Favorable Factors in Majority — Infantile Paralysis Hits September Trade

Canadian business enters the fall season with the outlook moderately prosperous. Barring the spread of war nothing appears on the immediate horizon that would influence the present level in either direction.

Lacking a big wheat crop or a sustained boom in the construction industry, potent factors for sharp improvement are missing from the domestic picture but continued business prosperity in United States, it is believed, will exercise considerable effect here. This will be felt through growing exports to that country of newsprint and agricultural produce.

• • •

On the favorable side of the present Canadian situation are growing export trade; firmness of most agricultural prices; late improvement in the moisture situation in western Canada; prosperity in forest industries; considerable gain in construction; lessening of strike dangers; more tourists; and continued mining activity.

Against this list there must be recorded the worst wheat failure in Canadian history, with possibility of hard times continuing in a considerable area of the West, and uncertainty in security markets which in the event of a wide crash would inevitably react on general business.

• • •

Spread of infantile paralysis continues this week to seriously interrupt certain lines of business in southern Ontario. Heaviest losers are the Canadian National Exhibition, with a sharp slump in attendance, moving picture houses and those food and beverage lines which cater especially to juvenile palates. Daily sales lost by such are not to be regained later, whereas purchases of fall clothing, school books and other retail trade and travel halted by the epidemic is largely only deferred. One gainer will be summer resort areas where many children are being held by anxious parents until dangers are passed and schools reopened. Control of infantile paralysis or poliomyelitis is more than a sectional problem as in the last few years it has reached epidemic proportions in three widely separated Canadian cities.

• • •

Measured in terms of electricity used Canadian business is now running 50% above the 1933 level. During July of the latter year total firm power output of central electric stations was just a trifle over a million kilowatts, whereas July of this year saw the total over 1.5 million.

Increases for the first seven months of each year since 1933 have been significant. There was a gain of well over a million kilowatts in 1934, a slowing down in the rate of increase in 1935, sharp resumption in 1936 and a substantial gain in 1937, though the rate again showed some tapering off. When as in this case sale of surplus power for export or electric boilers has been eliminated there are few better single factor barometers of general business than the output figures of these power [illegible]s which are connected with nearly all Canadian industry.

Business Indicators

Railways—Most statistics continue favorable with carloadings up for last week in August and also gross earnings of C.N.R. Effect of short wheat crop, however, beginning to be reflected in earnings of Canadian Pacific.

Business index figures of the Dominion Bureau of Statistics show slight decline for last week in August but other indices covering trade for earlier period still registering gains over same months in 1936.

Construction products figures for first six months show improvement in output of cement, clay products and gypsum but production of latter declined in June.

Mining output in all main lines shows large increases in first six months with especially noteworthy gains in nickel and copper.

Current trend in Canadian business is shown by The Financial Post's index of business activity, with new figures for the week marked thus▲:

BUSINESS INDICATORS

	Latest		Jan. 1 to date	
	1937	1936	1937	1936
Transportation—				
Car loadings, week (Aug. 28)	▲57,245	52,477	1,646,296	1,502,464
C.N.R. gr. earn., wk. (Aug. 31)	$ ▲5,724,394	$ 5,655,363	$ 128,145,157	$ 113,235,079
C.P.R. gr. earn., wk. (Aug. 31)	$ ▲4,192,000	$ 4,611,000	$ 90,692,000	$ 85,628,000
C.P.R. net revenue (July)	$ 1,095,460	$ 979,099	$ 9,355,614	$ 7,770,100
C.N.R. net revenue (July)	$ 958,899	$ 87,204	$ 7,626,847	$ 2,562,243
Business Conditions—				
Weekly index D.B.S. (Aug.28)	▲113.7	113.8	......	......
Financial Post index (July)	123.8	110.3	......	......
Iron and Steel (July)—				
Pig iron production (tons)	79,736	34,988	503,678	375,323
Steel ingots and castings prod. (tons)	122,968	68,793	836,145	647,493
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (July)	8,643	6,596	86,995	68,461
Factory output (July)	12,513	8,192	110,076	94,556
Trucks and Buses:				
Domestic sales* (July)	3,058	1,690	21,462	15,205
Factory output (July)	5,428	2,283	36,436	21,867
Exports (July)	8,127	4,561	42,614	36,814
Financing (July):				
Used	$ 3,917,629	$ 2,696,934	$ 23,023,973	$ 16,489,981
New	$ 4,398,290	$ 3,074,640	$ 28,004,074	$ 20,631,549
Construction—				
Cons. contracts (Aug.)	$ 24,830,800	$ 15,536,100	$ 156,691,900	$ 111,113,100
Production (June)—				
Cement, bbls.	▲753,000	559,000	2,090,323	1,629,620
Gypsum, tons	▲162,000	136,000	377,930	265,734
Clay	$ ▲486,000	$ 344,000	$ 1,596,631	$ 1,260,700
Agriculture—				
Flour prod., bbls. (July)	▲1,087,159	1,300,667	7,146,758	7,828,026
Flour exp., bbls. (July)	334,964	444,905	2,411,671	2,736,076
Wheat exp. bus. (July)	8,602,689	25,912,508	52,326,724	120,509,094
Cattle sales (June)	69,931	64,835	365,453*	393,850
Hog sales (June)	83,935	79,042	523,811	458,245
Newsprint (tons)—				
Production (July)	314,529	274,627	2,097,290	1,763,890
Exports, tons (July)	305,163	234,049	1,936,745	1,594,343
Mining—				
Coal prod., tons (June)	1,063,865	1,037,700	6,994,251	6,885,469
Coal imports, tons (June)	1,944,920	1,683,704	6,247,986	5,026,228
Gold prod., fine oz. (June)	344,895	316,670	1,973,251	1,767,509
Nickel prod., lb. (June)	▲20,960,000	14,070,000	111,386,601	82,774,668
Copper prod., lb. (June)	42,549,292	31,421,070	243,604,966	205,637,311
Employment D.B.S. Index (Aug. 1)—				
All industries	▲120.0	105.6	......	......
Manufacturing	▲118.1	104.9	......	......
Electric Power Output (July):				
Total monthly m.k.h.†	2,188,055	2,021,147	15,944,187	14,463,233
Trade (June)—				
Retail trade (index no. of sales)	80.5	73.4	......	......
Wholesale trade (July)	•▲8.2	......	......	......
Dept. store sales	81.5	75.7	......	......
C'try gen. store sales	8.6	......	......	......
Imports (July)	$ 71,995,940	$ 53,820,904	$ 452,811,629	$ 347,625,647
Exports (July)	$ 100,142,396	$ 84,968,284	$ 625,949,871	$ 509,514,235
Other Industrial Factors—				
Dressed lumber, exp.:				
M. bd. ft. (July)	171,241	153,897	1,033,875	877,945
Boot & shoe prod., pr. (June)	2,226,062	1,721,182	12,483,211	11,042,084
Crude petrol., imp gal. (June)	156,154,899	153,620,000	502,749,556	477,449,524
Cotton imports, lb. (June)	13,342,249	7,415,651	80,070,608	69,619,684
Raw rubber imp., lb. (June)	8,488,643	4,574,180	33,231,412	24,211,377
Cigarette cons. (June) No.†	628,742	506,108	3,055,859	2,472,515
Sugar (lb.)—				
Melting & sales§ (raw)	▲96,769,349	96,510,220	453,006,321	496,130,110
Manufactured§	▲92,364,014	93,841,054	435,152,152	480,920,602
Finance—				
Bank debits (July)†	$ 2,720,738	$ 2,893,658	$ 20,906,745	$ 20,140,510
Bond sales (July)	$ 109,639,875	$ 68,365,553	$ 810,912,565	$ 822,627,040
Life insurance (July)	$ 32,364,000	$ 31,396,000	$ 225,100,000	$ 212,663,000

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to July 17.
•Percentage increase over last year.

Bankruptcies

The Canada Gazette announces meetings of the creditors in the matter of:

Levesque, R., St. Quentin, N.B.
Ross, R. S., Ottawa, Ont.
Daboli & Son, J. A., Ridgeville.
Andrews, P. A., Toronto.
Orechkin, A., Windsor.
Picard, L. A., Peterborough.
Smith & Co., T. R., Windsor.
Canusa Gold Mines, Ltd., Toronto.
Wilson, C. M., Hamilton.
Maloney, J., Montreal, P.Q.
Lazarowitz, H., Montreal.
Leon, M., Montreal.
Poirier, J. W., Montreal.
Cohen, I. M., Montreal.
Bessette, A. R., Montreal
Dufresene, J., Joliette.
King, S., Automobile Ltd., Montreal.
Blouin, G., Quebec.
Beauchamp, E., Montreal.
Sorignet, Dame A. B., Montreal.

This Booklet

Canadian Corporation Issues

should be of value to you if you invest in bonds and other senior issues of public utility and industrial corporations. It gives maturity dates, call prices, currencies in which payable, denominations, latest published earnings figures, etc., on securities of 53 companies. Ask for "Canadian Corporation Issues" booklet. Free on request.

Royal Securities Corporation
Limited

Offices throughout Canada

244 St. James Street
Montreal

330 Bay Street
Toronto

73

Higher Prices Seen for Cars

Still higher prices with the actual introduction of 1938 model motor cars are predicted by Alfred C. Sloan, chairman General Motors Corp., who cites increasing costs of labor and materials. This prediction is in contrast to that made by other observers in the United States who forecast some time ago that the recent increases in current models at this, the tail end of the buying season, would serve for fixing the levels of the new models due to come out next month.

The chairman of General Motors believes that there will be no radical change in styling this year, but in the course of the next few seasons he predicts "progressive improvement" and a further increase in automatic equipment.

Germany Uses Light Metals

Aluminium, Plastics, Glass Replacing Copper, Lead and Tin

While Canada in common with all advanced industrial countries has been making much greater use of the lighter metals in all manufacturing in recent years the trend in Germany has been even more pronounced. This is largely due to the fact that the Reich is deficient in lead, copper and in bearing ores whereas there is considerable output of domestic aluminium. Plastics, too, have played a big part in ousting heavier metals.

"The exhibition of German raw materials at this year's Leipzig Fair," writes an observer in the current issue of the Hambourg (Germany) Bulletin, "gives a good impression of the multifareousness of the change-over by the metal industry to the use of light metals. Alongside light sections, that used to be made of brass, and aluminium packing, for which formerly lead was exclusively employed, one could see untearable foil of an aluminium alloy, with a much greater power of resistance than the thin rolled tinfoil. Fittings made of featherweight material have ousted brass entirely from car-building and the household. Light metal is the material from which, today, are manufactured the hooks of hall-stands, name-plates on doors, and bell-wiring, to mention but a few of its numerous uses.

Aluminium Forges Ahead

"Aluminium is the chief material that has come to the fore in this process of changing-over, the chief substitute for lead, copper and tin, all of which had to be imported, but there are also non-metallic substitutes, such as the various pressed materials (plastics) that have replaced the non-ferrous metals formerly used in the electrical industry, for the telephone plant and in the gas and water-fitting trade (pipes). Also buttons, buckles and clasps, for which metal or horn were formerly used, are now manufactured from pressed materials, which, combined with featherweight metal, now form the raw material for furniture fittings.

"But the most important feature is the use of these pressed materials in the construction industry. Toothed wheels and bearing brasses of such material are no longer anything exceptional. For non-metallic piping in the chemical and foodstuff industries, in the textile industry, brewing and in public houses, a special pressed material is employed that can resist water, has no smell and is non-corrosive. Another pressed material that has been perfected can be used for coarse and fine textile, and also as carving material and for rods and piping.

Hits Canada's Output

"To Canada an important surplus producer of copper, lead and zinc the German increase in the use of aluminium at the expense of the heavier base metals will not be particularly welcome news. The lead adopted by Germany in this respect, however, appears to be a general world trend. Between 1934 and 1935 in Germany the consumption of aluminium increased by 40,500 tons, or nearly 80%, that of tin remained unchanged, the consumption of lead rose only 1,000 tons or a little more than ½%, that of zinc 17,000 tons or hardly 10%, while the consumption of copper fell to 272,000 tons, a decline of 15,000 tons as compared with the previous year. Compared with 1933 the consumption of aluminium has increased 230%, while that of zinc, copper and lead rose only 34%, 20% and 13% respectively and that of tin remained stationary at 17,000 tons. While the consumption rose by 65,000 tons from 1933 to 1935, the production increased only by 44,000 tons, and had already at that time dragged 5,000 tons behind the consumption. German requirements in aluminium therefore had to be covered from outside sources, the production deficit being covered from German stocks of aluminium and from the importation of crude aluminium without payment in foreign exchange, against the later return of finished German aluminium."

Background of Business

Logging Again in B. C.

After a two months "holiday," British Columbia logging camps are getting back into production. In the past it has been customary for these establishments to close during the summer for a few weeks. Due, however, to the depressed market conditions in June, following the unusually heavy export area, operators mutually agreed upon a much longer shutdown this season. While actual logging was at a complete standstill during July and August, many workers were retained in the camp for odd construction jobs with the result that logging crews were largely kept intact.

The future of the log market for British Columbia is still regarded as uncertain, and while the threatened summer glut was averted, it is still possible that a few weeks of intensive operation on the part of the loggers this fall may again result in an accumulation beyond current capacity of sawmills and exporters.

Overseas markets continue decidedly weak with greatly reduced volume, while high ocean freight rates have aggravated the situation. Usually active Oriental markets have been paralyzed by hostilities between Japan and China.

• • •

National Advertising

Huge increase in trailer travel in the United States has boosted demand for nationally advertised food, drug and beverage products. People moving constantly about on wheels apparently have no time for getting familiar with purely local or private brands, but through the medium of national advertising are already familiar with any goods advertised from coast to coast. Advertising agencies in the United States maintain that whether these trailer travellers are in New York State, Texas or Oregon, they are all familiar with trade names of meat, beverages, drugs, etc., and invariably will ask for these first. As trailer travel develops in Canada this point gains more importance here also.

• • •

Studebaker History

Challenging the contention that modern industrial machinery displaces and enslaves the workers, Paul G. Hoffman, president of the Studebaker Corp. quoted statistics from the history of his own company to prove his point at a gathering celebrating the introduction of Studebaker new models at South Bend, Ind., the other day. In 1870, when Studebaker was concentrating on carriages, wagons and harness, the little plant employed 300 men who worked 60 hours a week at 16 cents per hour and had no Saturday afternoon holidays. In 1908 when automobiles were coming into the picture, Mr. Hoffman stated that Studebaker then employed 3,000 employees. While they still worked the 60-hour-week pay had increased to 20 cents per hour. The total sales of the company that year amounted to just a shade under $6,000,000. By 1936, the company's payroll had been extended to well over 7,000 employees. Hours had been reduced to 40 per week but the rate per hour advanced to 87 cents and total sales amounted to not far short of $70 millions. Yearly wages during these periods, Mr. Hoffman pointed out, rose from an average of $465 per worker in 1870 to $624 in 1908 and last year to $1,698.

• • •

Truckers Welcome Probe

The Automotive Transport Association of Ontario representing 300 motor truck carrier companies has issued a statement commending the proposed investigation by the Ontario Government into the highway transport business. This statement claims that the transport truck is overtaxed and that an unbiased investigation will bring out and prove this contention. Taxes faced by the transport truck, it is stated, are more than 15 times those of the average motor vehicle on the highway and enable the latter to enjoy modern roads at minimum cost. It is further claimed that the motor truck has opened up numerous outlets for many businesses, has brought employment to thousands and serves countless communities inaccessible by rail.

• • •

Urge Business Diversification

Many American businesses foundered during the depression because they had all their eggs in one basket, argue the editors of Business Week in a special report to executives. Steady profits lie in diversification of industry, it is claimed. Sixteen reasons are cited:

To use excess plant capacity.
To employ present equipment more fully.
To eliminate seasonal humps.
To guard against dependence on one industry.
To keep distributors busy the year round.
To get in on the ground floor of a new industry.
To supplement a product which has a permanently declining or circumscribed market.
To make and sell a product first designed for a company's own use.
To increase consumption of a basic material in new forms.
To make new products, requiring much the same manufacturing processes as the old products.
To secure larger share of business in same general market.
To increase sales of an old product by entering new price field.
To widen consumer channels for the same product.
To utilize by-products.
To stabilize a business by avoiding dependence on any one of half a dozen products.
To secure increased volume, thus cutting overhead and increasing earnings.

Foreign Business

United States Department of Commerce reviews foreign business as follows:

Argentina—Agricultural situation is good, with farm prices high, sentiment optimistic, and industrial activity at a high average level.

Chile—Import turnover somewhat spotty, but retail sales running well above last year.

Bolivia—July tin exports exceeded those of June, but did not come up to hoped-for level.

Peru—Partial data on banking, foreign trade, and commercial turnover indicate more intense business activity than ruled a year ago.

Panama — Improving conditions have boosted trade level above year ago and caused it to rise over the satisfactory July plane.

Guatemala—As is usual in late summer, considerable spottiness has developed in commercial demand, which is accompanied by a tendency to delay payments.

El Salvador—Commercial credits and collections satisfactory in August; foreign trade this year, as well as customs collections, has been notably above last year.

Cuba — Normal seasonal factors, and uncertainty over sugar legislation in the United States, depressed business during August, and collections were less favorable.

Dominican Republic — Exports continue to run ahead of last year, despite the unfavorable corn and tobacco situation in northern provinces, increases being largely in sugar and cacao.

Haiti—Notwithstanding the usual August dullness in trade, slightly more optimism is apparent than last year at this time.

Jamaica — Expansion of the island's export trade has resulted in improvement of the collection situation.

Trinidad — Betterment of trading condition has resulted from cessation of labor difficulties and improved cacao prices.

Martinique — Business has benefitted from recent good returns from exports.

Germany — Industrial production and construction continue to expand, but the shortage of raw materials and of workers is becoming increasingly acute.

Italy—Trade and industry are moving satisfactorily, the adverse balance in foreign trade has increased, and occasional temporary shortages of foreign exchange have developed.

British Malaya — Conditions are generally favorable, despite seasonal slackening, and rubber shipments in July exceeded any month since 1929.

Philippine Islands—The Government is planning to establish a large rubber plantation on Mindanao or Basilan Island; interest in office-building construction has been renewed in Manila.

Iraq — Developments have been favorable this year, but the crop outlook is unpromising.

Australia—Practically all business influences are favorable and drought conditions have been largely relieved.

New Zealand—Activity is at an unusually high level for the season.

Canal Freight Traffic Gains

Notwithstanding the very considerable decrease in grain traffic on main canals in Canada this season, volume of freight handled in July was considerably higher. Shrinkage in wheat was more than offset in most cases by gains in ore, forestry products and imported corn. Total July traffic on the Sault Ste. Marie canal amounted to slightly over 14 million tons as compared with less than 11 million for the same month a year ago. Volume on the Welland Ship Canal was up about 300,000 tons and on the St. Lawrence about the same amount.

Commodities

Sagging price tendencies in nearly all important commodities carried the general Canadian index, as shown by the Dominion Bureau of Statistics, down to 84.8 this week. The new index figure compares with 85.3 at the close of the previous week.

Hogs and wheat were exceptions to the trend but silk, hides and sugar were among key commodities to show further price losses. Observers of the commodity situation believe that current weakness is due partly to seasonal factors as well as reflecting the tail end of summer business recession.

Comparative price changes are as follows:

Price Range	Latest week	Previous week	Same week last yr.
Cattle	$10.25	$10.00	$6.00
Hogs	10.65	10.75	9.75
Copper, lb.	.14	.14	.09¾
Cotton, lb.	.0942	.0970	.1191
Rubber, lb.	.1868	.1831	.1631
Sugar, raw, lb.	.0350	.0355	.0365
Silk, lb.	1.87½	1.94	1.66½
Wheat, Man. (bu.)	1.29¾	1.28⅛	.98¼
Coffee, lb.	.09¼	.09⅝	.08¼
Hides	.16¼	.16½	.11½
Weekly Indices			
N. Y. Annalist*	93.7	93.7	84.1
Fishers'	91.0	91.7	83.7
N. Y. Journal of Comm.	88.1	88.4	81.2
Crumps (Brit.)	83.2	83.6	71.0
U. S. Labor	87.3	87.5	81.5
Canada (D.B.S.)	84.8	85.3	75.6

Monthly Indices	Latest month	Prev. month	Same last year
Canada (D.B.S.			
Retail (June)	82.6	82.8	80.0
W'sale (June)	84.6	85.1	72.3
U. S. (May)	87.4	88.0	78.6
Gt. Brit. (May)	96.9	95.4	80.5

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price. Toronto: Copper-electrolytic, New York; Silk—Japanese, 13-15 New York; Sugar — 96 degrees centrifugal c/f New York; Wheat—No. 1 Man. North. Ft. W.-Pt. A. Basis: Hides—No. 1 packer light native cows; Hogs—select bacons, Toronto.

*Revised.

Changing Conditions

Conditions in the field of investment meet with frequent changes. The resources of our organization for securing authoritative information upon investment subjects are available to any of our clients.

Inquiries may be made to our nearest Branch

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

McLEOD, YOUNG, WEIR & CO.
LIMITED

INVESTMENT SECURITIES

TORONTO
Metropolitan Building

OTTAWA
Ottawa Electric Building

LONDON
Richmond Building

MONTREAL
231 St. James Street

HAMILTON
Spectator Building

Correspondents in New York and London, England.

THE
LONDON & WESTERN TRUSTS
COMPANY LIMITED
ESTABLISHED 1896
LONDON - TORONTO - WINDSOR - WINNIPEG - VANCOUVER

ONTARIO

Department of Health of Ontario

"INFANTILE PARALYSIS"

(POLIOMYELITIS)

The Department of Health has a sufficient supply of Convalescent Serum for present demands. This serum is obtained from persons who have previously suffered from an attack of "infantile paralysis".

In anticipation of further requirements the Department now requests that persons who are willing to provide blood for this purpose (donors) register with the medical officer of health in their district.

The Department remunerates donors on the basis of Ten Dollars for 100 cubic centimeters; the usual amount withdrawn from one donor is 200 cubic centimeters. This can be readily obtained without discomfort or ill effects to the donor.

Children under fourteen years of age are not eligible. Persons who have suffered an attack of the disease during the present year are also not eligible. Those persons fourteen years of age and over who have suffered an attack within the past twenty-five years and who show some definite evidence of resulting paralysis, are requested to provide the medical officer of health with their name and address.

Those who have already acted as donors need not register again.

When a clinic is to be held, donors will be notified through their medical officer of health.

J. Albert Faulkner

MINISTER OF HEALTH

H-2

Country Estate Owners Make Big Contribution To Ontario Farm Stock

Cattle and Horse Breeding by Gentlemen Farmers Is Boon to Agriculture of Province — Facilities Provided for Testing Results of Research

For years the breeding of high-class race horses was defended, justified and subsidized on the ground that these animals contributed to the benefit of agriculture.

In the days before motor cars and trucks there was something in this theory because light horses played a very important part in country life and in addition were in demand as cavalry remounts. Now with motorization of both the army and the farm the contention is largely ridiculed.

Constant efforts to improve the quality of the race horse does, of course, result in general improvement of all light horses, and as the latter are in growing demand for sport and recreation, fast thoroughbreds and standardbreds raise the general level for animals under 1,200 pounds. But agricultural horses are now far beyond this range and any infusion of racer blood would result in progeny of comparable value to the result of a greyhound—English bulldog cross.

Tie With Agriculture

Behind the old argument, however, was a worthy tradition and one which is still being handed along. The wealthy urban owner of a string of race horses wanted to be associated with the land and to do something for agriculture. Eventually through race horses he has become only associated with sport, but through the medium of country estates his tie with agriculture is being maintained.

It is unnecessary to examine the books of the average Canadian country estate to determine whether the venture from a dollar and cents farm viewpoint only has been profitable. In about nine cases out of ten it is matter of keeping losses down to moderate proportions, not in building up profits. But to agriculture generally, it is a different story.

Take Up Burden

Buyers of country estates coming into farm lands adjacent to big cities are regarded often as fairy godmothers, giving the original owners good prices and usually spot cash for a property that has become too highly taxed to permit profitable farming and yet is too big a burden to be carried by him until the time is ripe for profitable suburban subdivision.

Taxes will outyield the best of crops on average farm land on the outskirts of Toronto, Montreal, or any other large Canadian city. Farm savings of a lifetime are soon consumed in trying to hold on. The country estate buyer takes over the job of holding and at the same time transforms the site from barren fields into beautiful landscape.

Ambition to Farm

But this is only the beginning of the benefits conferred by country estate ownership on the agriculture at large. A great many of these city men have an ambition to farm, and once in possession of a few acres of land they set about satisfying it. They at once become customers for livestock, seed and nursery stock. They invariably seek out the best of these products and continue to improve them. That they do so and do so successfully, a glance at the agricultural awards at the Canadian National or other recent exhibitions should prove.

Such names as Annandale Farms, Todmorden (Hon. Dr. H. A. Bruce); M. L. McCarthy, Sussex, N.B.; Donalda Farms, Todmorden (Mrs. D. A Dunlap); Eaton Hall Farm, King (Lady Eaton); Col. F. H. Deacon, Unionville; T. A. Russell, Downsview; W. A. Cleland, Troy; Larkin Farms, Queenston; Col. Harry McGee, Islington; and Maryvale Farms Todmorden (Senator Frank O'Connor) appear with great frequency in cattle, heavy horses and sheep. At the later winter exhibitions held throughout the Dominion there will be further contributions of blue-blooded stock from country estates.

Help Neighboring Farms

The showing of high-class livestock, vegetables, grains, flowers and fruit, is merely incidental. They are brought out in competition merely to check up on their quality with the best from other parts of Canada and the United States. It is the effect on agriculture generally that is important. Surplus progeny are sold, locally, often at nominal prices, and thus practical farmers for miles around are able to obtain benefits from breeding stock they would often be unable to purchase for themselves.

Very often these city men who have returned to the farm make a serious business of purebred livestock, importing animals at considerable expense from the best studs and herds of the British Isles. Sometimes they subscribe jointly for the purchase of an outstanding bull or stallion to be stationed at some agricultural school or experimental farm.

Co-operate With Science

Country estates of the farm type have a record of wholehearted co-operation with Canadian scientific agriculturalists. Research in agriculture is going on constantly. Efforts are made to improve strains of livestock, seed grain, fruits and vegetables, to develop varieties especially suitable to the varied climates and soils of this Dominion. In addition constant efforts are being made to combat plant and animal diseases, to discover better methods of handling the soil.

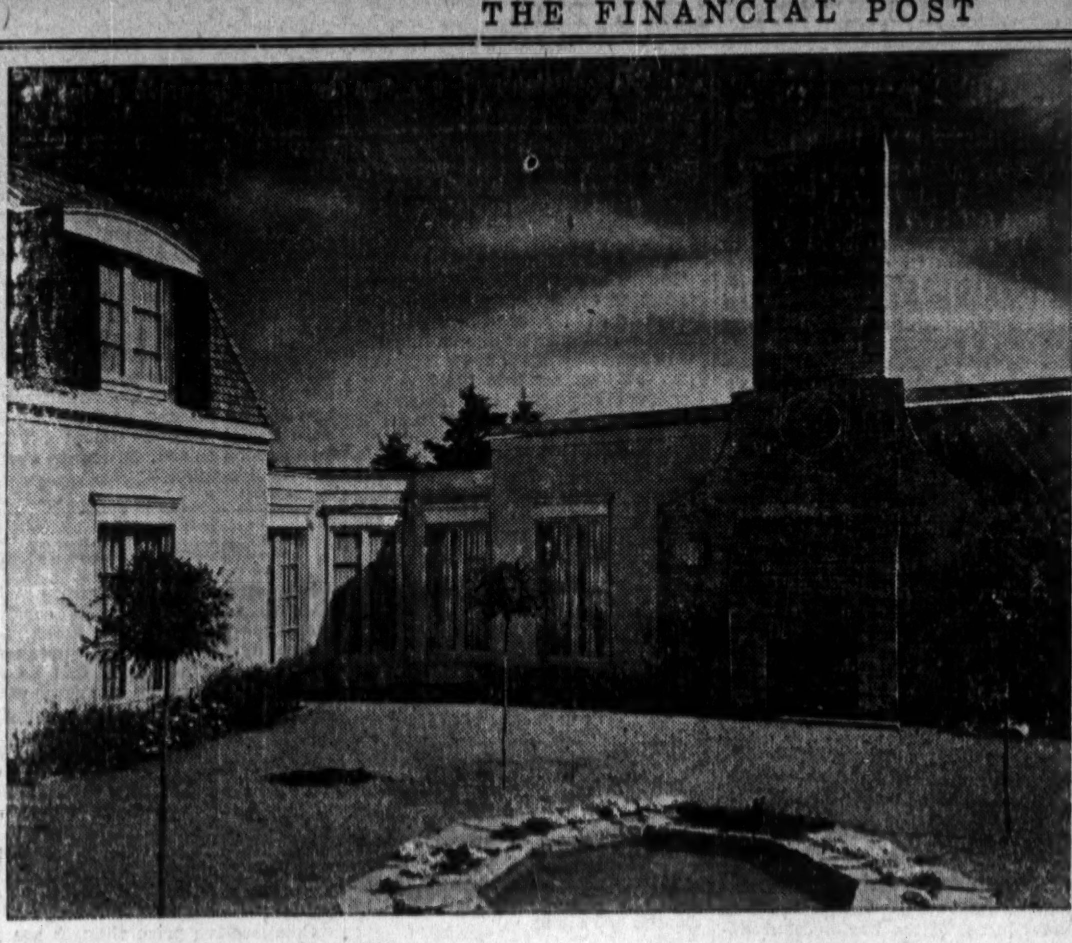
But such experiments carried on in the crowded quarters of Government stations and agricultural schools are without any practical value unless tested under field conditions. Country estate owners have invariably placed their acres and their stock at the disposal of the agricultural scientist. They have also opened up their fields and stables to constant inspection by those seeking better farming and they have supplied innumerable classes of different types of livestock on which amateur livestock judges have practised. They have, too, created a big opening for young agricultural graduates who are engaged as farm managers.

Creamery Butter

Output of creamery butter in Manitoba during the first seven months of the year amounted to 14,370,634 pounds, as compared with 13,013,819 pounds during the similar period of 1936, a gain of 10.4%, according to the Monthly Review of Dairy Production in Canada.

Iron and Steel Output

A preliminary analysis of the 1936 reports from the manufacturers of iron and steel and their products in Canada indicates a gross production valued at $441,244,332 at factory prices. This output value was 13% above the corresponding figure for 1935 and 43% above 1934.



An outside fireplace is one of the attractions of this summer home at Murray Bay, Que.

Fresh Fields to Conquer

Country Estate Opens New Opportunity and Ambitions To Successful Businessman

Ask any gentleman farmer why he went to the country in the first place, and he will generally give you the perfectly good standard reasons: more space, a preference for acres instead of street frontage, a desire to combine the advantages of a summer place with the comforts of an all-year-round home, an eagerness to take his children to the safe, healthy atmosphere of the open country.

But ask him why he stays in the country, and you'll get a quite different answer. Living in the country, where there is the challenge of space and opportunity, has opened up a host of hobbies for him, and in most cases provided him with a fresh field for research, experiment, development such as the familiar business and financial world never offered. Probably his whole life interest now centres around his fine gardens, his English pheasants, his Shetland ponies or the like.

It's hardly far-fetched to say that Jack Hammell is prouder of his Oriental gardens than of Pickle Crow. Mr. Hammell is not a farmer; his 15 or 20 acres in Oakville have been laid out in a series of fascinating gardens, unique in America for their detail. His sincere interest in fine painting and art objects is revealed in the arrangement and decoration of the grounds around his home.

The Hammell estate borders Lake Ontario and against the cliff at one point he has built a picturesque Oriental garden, with a two-ton bronze Buddha dominating the picture and flanked by antique Japanese stone lanterns. This is the garden of contemplation. Farther along the lakeshore he has an equally impressive feature, but definitely of the Occidental 20th century period: a huge barbeque capable of roasting a whole ox, an efficient gleaming kitchen with all the modern appointments, and all this housed in an attractive pavilion facing a terrazzo dance floor open to the sky and every breeze. Entertaining a hundred guests there is no problem at all.

Rare tropical birds are something new in the way of hobbies in Canada. Mr. Hammell has a collection of 30 or 40, and for them he and his architect designed a very special aviary with carefully controlled ventilation, filtered sunlight, etc. This octagon-shaped structure has been built at one end of the long rose garden. At the opposite end is the conservatory, even more ingenious in plan and engineering. This enormous glass house is divided into three sections: a large room with swimming pool, a sunny lounge with winter aviaries for the tropical birds, a greenhouse for potted plants. Each section is maintained at the proper temperature for the purpose served.

Pheasants and pigeons constitute one of the major interests at Lemoine's Point Farm, near Kingston, where W. H. Coverdale, president of Canada Steamships spends his summers. A dovecote containing many spacious apartments has been built over the poultry house. Nearby is the pheasant pen from which each spring several old-timers are released to enjoy a foot-loose, fancy-free life in the beautiful woods around the estate. Incidentally the fine old four-square house facing Lake Ontario still uses candles or oil lamps—it's Mr. Coverdale's determination never to let an electric socket or switch intrude on the century-old atmosphere of the rooms.

A number of estates include a private golf course. The F. F. Dalley's place at Ancaster, which dominates some 20 miles of magnificent view across the Dundas Valley, has a nine-hole course. H. Rupert Bain's new property in the Bayview district, north of Toronto, will have golf as merely one of many attractions. In this case, because of the flatness of the site, artificial hills 15 feet high were thrown up to screen the end of the formal gardens from the first tee.

There's no engineering feat too ambitious or extensive, it seems, for the city magnate settling down to country life. The amount of money invested in stone masonry for revetments, retaining walls, etc., and in pumping, filtration and sterilizing plants for swimming pools—just to mention two popular features in landscape development—would add up to a very tidy sum. Mr. Bain's main gardens are laid out in four levels, with water as the central feature of each. The highest level contains the enormous swimming pool. Water is pumped at a rate of 150 gallons a minute into the pool; it then passes through an underground pipe to emerge as a long narrow canal between panels of lawn; drops again to the fountain court, and thence to a formal lily pool directly on the main axis of the garden entrance to the house.

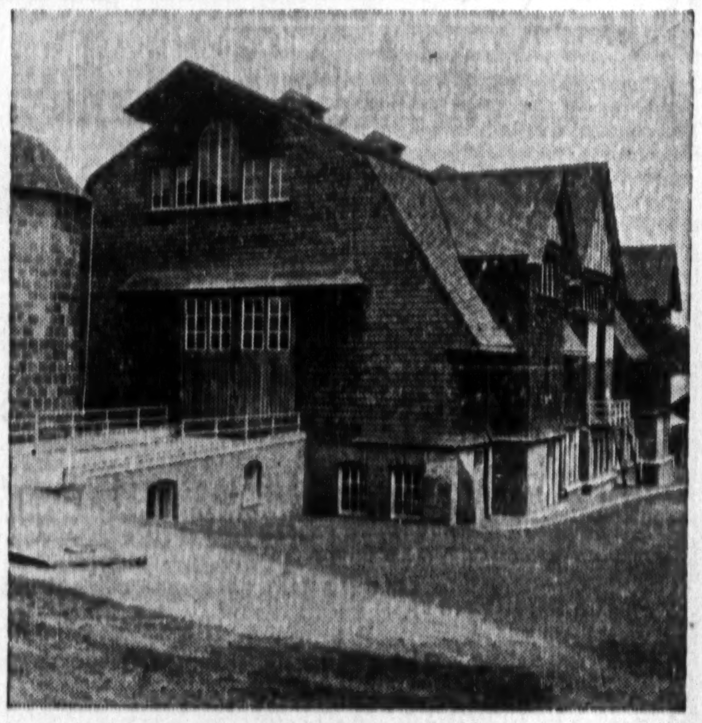
Many city people just can't resist the appeal of old houses— that is, old enough to have well-proportioned rooms and some architectural merit. Such houses, given the benefit of a good architect, frequently emerge as beautiful country residences, spacious in the old-time manner, solid with modern materials, but having a charm and gracious atmosphere not easily matched. The old houses of Quebec, delightfully simple, always picturesque, and built to endure time and weather, have come in for fresh appreciation and a good deal of attention in the last ten years.

Mrs. A. B. Colville of Montreal (a daughter of the late Sir Edward Kemp, of Toronto), supervised the restoration of an ancient manor house situated on the bank of a little river some 40 minutes drive north of Quebec City. It has become not merely a beautiful country home surrounded by lovely gardens, but unique for its stonework, the long low mass of the building, and the many interior details such as fireplaces, primitive ovens, beams, etc., which accompanied the seigneurial style.

The Peck residence on the Island of Montreal is another interesting example, although in this case the original small stone house has become the core of a large modern house, with two spacious wings.

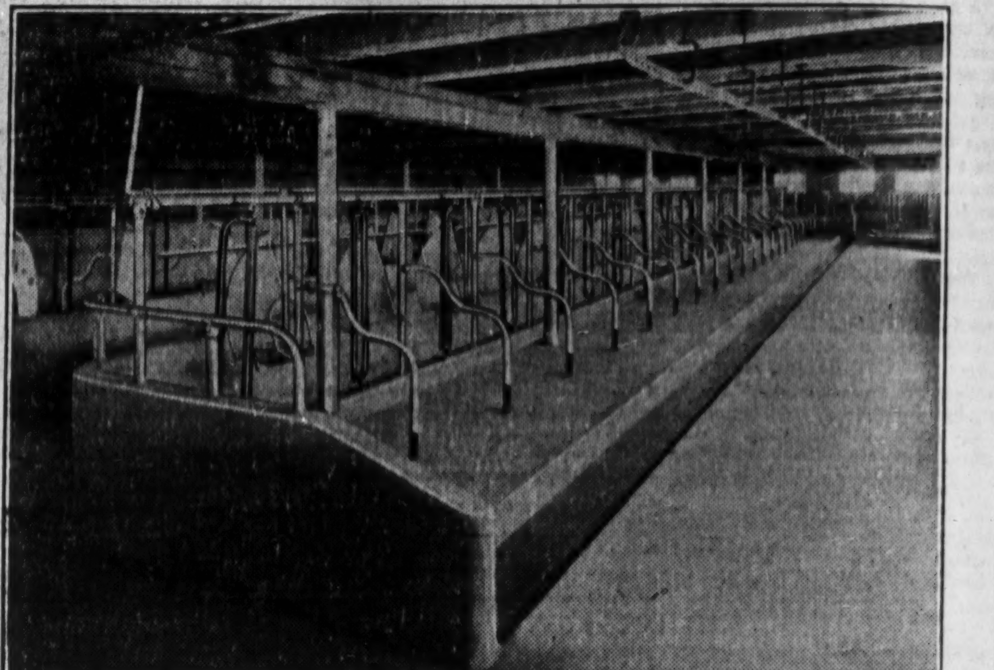
T. B. Macaulay's farm at Hudson Heights, on the Ottawa River, where he has bred such famous cows as Johanna Rag Appla Pabst and has Shetland ponies for fun, had a ramshackle old stone house that was successfully restored and modernized to become the residence of his efficient manager, Joe Chandler. Incidentally, Mr. Macaulay's big farm is one of the few of its kind that makes a definite attempt to balance its books each year—it generally does, too!

The Brockville-Prescott area paralleling the St. Lawrence is rich in architectural tradition and mellow stone walls, and many of its lovely old houses have been snapped up by city folk seeking a country home. Recently Mrs. Geo. W. Hyslop, well known in Toronto society, moved into her year-round stone house near Brockville, between the highway and the river. One of the country's leading breeders of Cairns and Great Danes, Mrs. Hyslop has just completed the building of spick-and-span kennels, the last word in comfortable housing for dogs.



The emphasis is on farming at Donalda, in Toronto's Don Valley. A section of the commodious barns.

Trees and space—a comfortable spot on the estate of W. H. Coverdale near Brockville.



Beatty

Sanitary Steel Stable Equipment in Canada's Finest Barns

Where sanitation, modern appearance and dependability are required, Beatty equipment is the first choice in Canada. Beatty steel equipment keeps livestock cleaner, more comfortable, enhances their appearance and value and is a permanent, profitable investment.

The magnificent stable here shown, is one of several which Mr. George Rodanz, of Ringwood, Ont., has Beatty equipped. Beatty equipment is used in practically every Government Barn in every province throughout Canada. Thousands of farmers are using it. Write us for complete information.

Established in 1874 BEATTY BROS. LIMITED Over 100 Branches

Head Office - Fergus, Ont.

THE NORTHERN-HAMMOND Organ

Glorifies Your Home with Exquisite Music

This Northern-Hammond Organ consists simply of a small console and an inconspicuous tone cabinet. Yet this modest ensemble has all the scope of the finest concert or cathedral organ — all the consummate beauty of organ tones — flute, string, reed, diapason — as well as many *new* tone colours never before attainable all by *electric impulses* rather than air pressure. The Northern-Hammond Organ *cannot get out of tune*, uses very little current and is entirely unaffected by heat, cold or dampness.

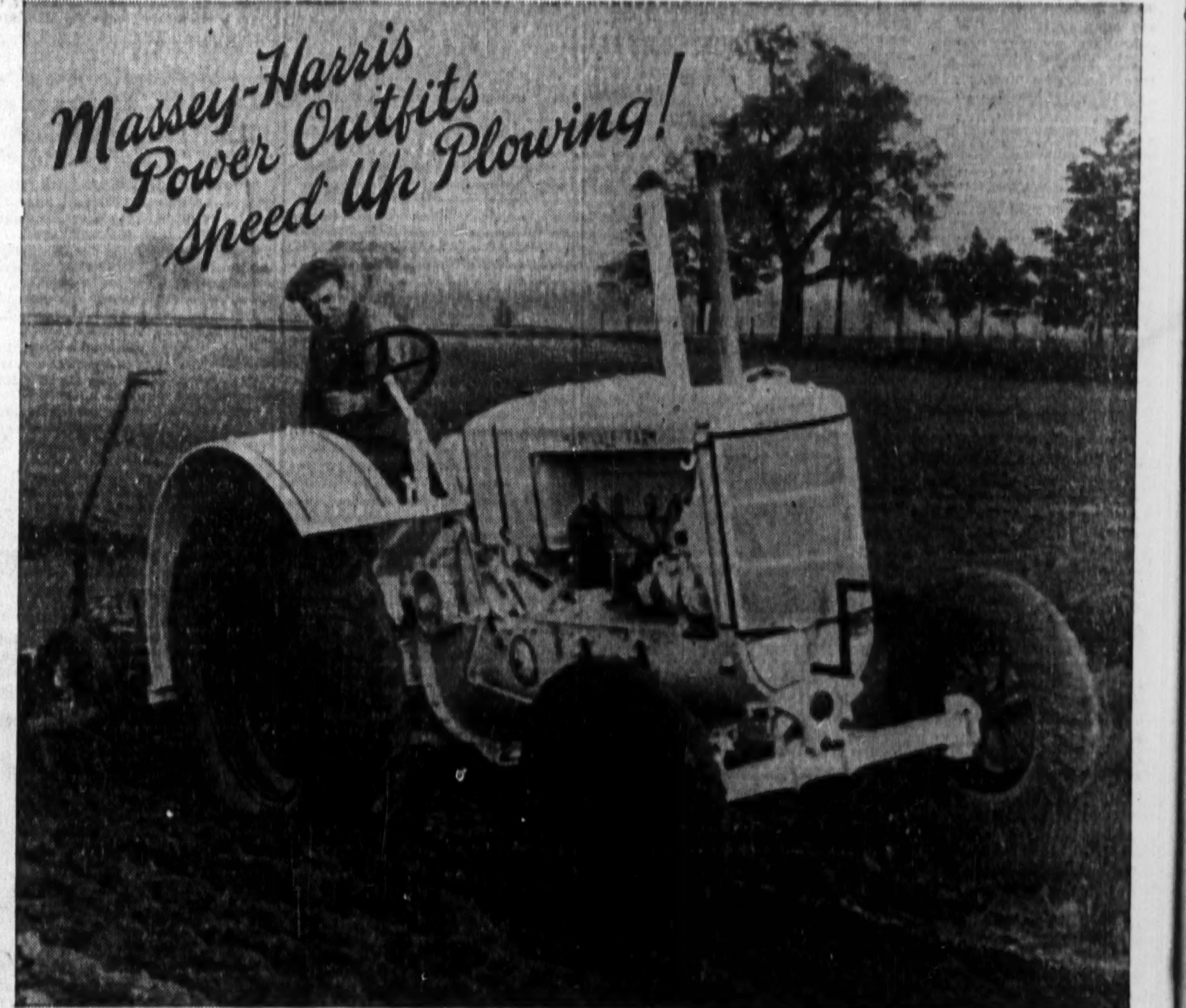
"A most appropriate Gift to your Church"

PRICED FROM $1995 AT MONTREAL

For further details, literature, the name of your nearest dealer, write

50-441

Northern Electric
COMPANY LIMITED
Department 55, 1261 Shearer Street • MONTREAL



THE EASIEST - QUICKEST - AND LEAST COSTLY WAY TO PLOW IS WITH A MASSEY-HARRIS TRACTOR OUTFIT

BY APPOINTMENT TO H. M. THE KING

The pep and power of a Massey-Harris Tractor puts speed and vigor into fall work. Land can be plowed quickly and thoroughly. More work can be done and done at less cost when you have a Massey-Harris Tractor and Tractor Plow.

Ease of handling, low fuel and oil consumption, convenient hand operated clutch, and other special features make the Massey-Harris the outstanding value in tractors. And from the Massey-Harris line of Tractor Plows you can readily choose a size and style suitable for soil conditions on your farm.

Write your nearest branch for catalogues on tractors and plows.

MASSEY-HARRIS COMPANY, LIMITED
ESTABLISHED 1847

TORONTO MONTREAL MONCTON WINNIPEG BRANDON REGINA SASKATOON
SWIFT CURRENT YORKTON CALGARY EDMONTON VANCOUVER

Many Factors In Modernizing Country Home

Waterworks, Sewage and Heating Problems Face Estate Architect

BARN EQUIPMENT

A generation or two ago, builders of country homes were faced with decidedly different problems from those confronting architects designing houses in town. Permanent living in the country, in those days, was something in the nature of a hermit's existence or a return to feudal times when everything had to be manufactured primitively on the estate, or, and more usually the case, done without.

That, however, is not the case today. Though the country home is erected far beyond the reach of gas, water and sewer connections, or even if it is without the advantages of electric power and telephone lines, nevertheless, every convenience of the city home can be fairly easily duplicated.

There is all sorts of equipment on the market today, automatic and otherwise, for creating a self-contained water supply. Usually when one moves into the country, however, water requirements are increased to provide for stables, fire apparatus, swimming pools and possibly garden irrigation; factors that do not enter the urban picture. But large and small systems are now available, which can provide any desired quantity whether the source is deep well, running stream or lake. Costs vary all the way from the simplest automatic water pump suitable for some cottage, which can be installed for less than $100, to elaborate systems capable of supplying a whole village.

Sewage Disposal

Along with the water system, of course, will have to be developed some method of sewage disposal. Here, again, modern science has come to the aid of the country. Where there is ample and efficient equipment, carefully designed and properly installed and attached to a good tile drainage system, there is no possible chance of contamination.

In making both the water and sewage installations, of course, cost will vary with the character of the soil encountered. All of these must be placed below permanent frost line. Naturally where the soil is open and porous, the cost will be very much cheaper than in rocky or heavy clay soil.

Heating

Back in the days of horse transportation, heating of the large country home was a real problem. Hardwood made a picturesque fire in any open grate, but was far from satisfactory for main results.

With the introduction of the oil-fired furnace, heating problems today, however, are just as simple in the country as in the city. Perfectly automatic and requiring no skilled attention, oil proved a boon to owners of large country homes, giving them uniform temperature all through the house, no matter how exposed.

In most districts where country estates are being developed, electric power is available. But if not, self-contained plants can be purchased. These range from a little 8 or 10 light outfit, operated by a pedal started gasoline engine, up to power units suitable for any size house, barns and outbuildings.

Fireproofing

In general country building the greatest attention must be paid to fireproofing materials. With no municipal fire-fighting apparatus at the push of a button or a telephone call, as nearly indestructible as possible roofs, walls, interior fitting, and perfectly insulated electrical equipment are of prime importance. With the barns, which house highly inflammable hay and straw, even greater care is advocated.

Insulation is another important point. Some wind-swept hill-top makes a splendid site for the residence on the country estate. Here scenery is probably best, but it will also be highly exposed to chilling blasts from the north. There is no protection as in the city from neighboring houses.

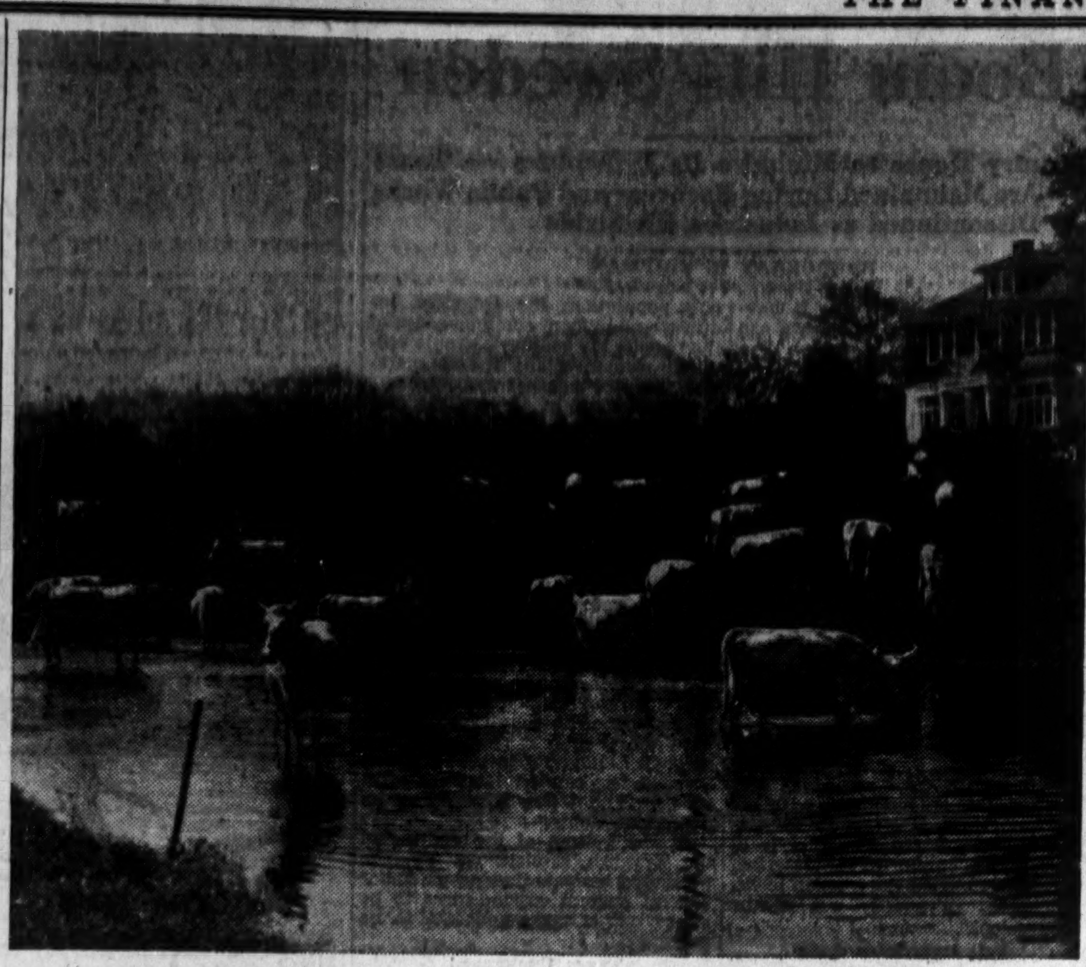
But careful insulation of all walls and roofs when the structure is being built, and selection of a site where there is partial protection from bush or orchard on the west and north will permit enjoyment of the view and indoor winter comfort as well. In mountainous or hilly districts it is possible to secure some shelter from the natural topography and at the same time have an unrestricted sweep on several sides.

Barn Equipment

Most house equipment will not be altogether foreign to the average city dweller, but when he starts on the barn and stable end of the job he may be getting into uncharted territory.

The average stable, especially that part that pertains to dairy and beef cattle, poultry, hogs and sheep is a factory where meats, eggs and milk are manufactured. Like any other efficient factory, therefore, it will be clean, light, long rather than wide like the assembly line of manufacture and equipped with most modern labor-saving devices.

Stables must be moderately warm, bright, airy, capable of being well lighted and, above all, clean Water must be available. In special floors, steel stanchions or stalls, individual drinking bowls, mechanical milkers, coolers, separators, choppers, feed and litter carriers, there has been fully as great an advance in recent years as there has been in factory modernization.



This pastoral setting is provided by one of the many country estates in British Columbia.

The City Farmer

Country Estate Owners Give Pointers on How to Buy a "Farm Home" — Pitfalls To Be Avoided

"Why live in the country?"

This and some other pertinent questions were put by The Financial Post to a few financial and industrial leaders who own long-established country estates. Their main reason for vacating the city was almost invariably the same, a love of the open country, from which many of them had come in their youth. But there were other more practical reasons as well.

These estate owners, too, were asked to outline pitfalls to be avoided and their answers may save potential buyers from considerable loss and discouragement.

An Economy

Aemilius Jarvis with a farm near Aurora, Ont., sees the country estate as an economy. He says:

"I can lease my house in the city and use permanently a place which would otherwise be just a luxury.

"I contribute to agriculture in the sense that we have a herd of Jerseys on the farm. We grow most of the produce to maintain our horses, and all the fruit and vegetables used on our table.

"As I have now had about 27 years of experience on the farm, my advice to those who are not earth farmers is: Do not be too ambitious with herds and show cattle, as I have found that the more I attempt to grow the more expensive it becomes. I confine myself practically to pasture and reforesting all places that are not productive. Trees grow into money while you sleep.

"The greatest asset, however, in country life is good health, particularly when fortunately situated as my farm is, at an elevation of 1,000 feet, with a steadier climate and better air than is known at lower levels.

"With the convenience of the motor car, the increased speed allowance and the good roads, the distance—24 miles from the corner of Queen and Yonge Streets, is negligible."

* * *

Young Man's Ambition

Col. F. H. Deacon from Glenburn Farms, Unionville, Ont., writes:

"Probably the example of a friend who occasionally invited me to spend some days at his beautiful farm was the primary cause of my desire as a young man to some day have a country home. This gentleman had a farm that was naturally beautiful and he kept standard bred horses, pure-bred Shorthorn cattle, high-quality sheep and poultry. He had a gentleman's life, and contrary to the experience of most farmers, seemed to make a reasonable profit. This probably was due originally to a substantial legacy from his father, who had had a successful medical practice for many years.

"Besides my personal love for the country, and my admiration of good crops and fine animals, I had seven sons. Fortunately, they have all loved the farm, though only one is making a life-work of it. What are you going to do with seven sons during the long summer holidays? Our farm has, to quite a considerable extent, solved our problem. There is always the question of having a hobby for one's old age, and I look forward to having farming as my hobby.

"I hunted for over a year before finding what I wanted. I wanted a farm near, but not too near Toronto. It must have rolling country with woods and plenty of water. It must not be on a highway, though I wanted one near a highway. On my present six hundred acres there are four points from which the whole farm may be viewed. At the time of purchase there were 45 acres of woods and since then I have planted over 40,000 trees, chiefly Scotch and White Pines, with a few thousand black walnuts, oaks and spruce. Five streams come on the farm but only two leave it. Two streams converge not far from our bungalows and by putting in a dam we have created a good swimming pond. Water is supplied from springs on the higher levels of the farms and practically all the water is supplied by gravity, thus requiring practically no cost excepting the original installation.

Hidden From Highway

"I desired privacy in our home surroundings and for that reason our bungalows were built where they are completely hidden from every road either by large woods or clumps of trees.

"At least two or three choices of main highways to town are important. Sometimes the traffic is dense on some and not on others. It is a great advance to be at least a mile or so away from the noise on the important highways. By being close to highways that do not carry dense traffic we are able to reach the city limits in 20 minutes whether on Sundays or holidays.

"The kind of a farm suitable for a dirt farmer is not frequently suitable for a city farmer. A city farmer does not need to have fertile soil. In fact, I have had some of my city farmer friends say that the poorer the farm the smaller the loss in operation, and one is not tempted to try to make a great success of field husbandry unless he has reasonably good soil.

"Some of the features which I have mentioned as found on my farm will suggest essentials for a city farmer to seek. A city farmer can make an important contribution to this province by excelling in some lines which naturally interest him. A city farmer will soon lose his interest unless he has an objective. This applies not only to the owner, but to his family. The pleasure of achievement will maintain the interest of all.

Manager Needed

"A city farmer should get a capable energetic young manager and in that way he will save himself a lot of capital which is sometimes wasted in unsuitable buildings and in unsatisfactory livestock. It pays to buy high-quality animals, but for a farmer to gradually get his experience it is advisable that he acquire these good animals slowly. It takes years of intelligent selection to create a show herd capable of winning at the important stock shows. The greatest pleasure will come when championships and top prizes are awarded to animals of one's own breeding. Already this year my show herd has been awarded 44 first prizes and of the winning animals, all but three of the prizes came to animals of our own breeding.

"What contribution can city men make to the country? I believe that many young farm people have what might be called an 'inferiority complex.' The coming of young city people to the country and showing their evident interest in the future of agriculture becomes a stimulant to these young farm people. No one succeeds who does not take a pride in his work, and if the coming farm community can have their ambition aroused to grow the best possible, whether in field crops or livestock, there will be a future for this province that will exceed even the high standards which have been achieved in the past.

Three other owners of country estates have replied to The Financial Post query but asked that their names be withheld. Their reasons, to some extent, coincided with those of Col. Deacon and Mr. Jarvis. All were anxious to get away from the city but in the case of two, at least, not far enough away to lose contact with their business interests.

One man writes: "Maintenance costs including taxes on my country home within easy access to the city are less than the taxes I was paying on a smaller house and comparatively small lot in that city. Here I have a good sized tract of land, a trout stream of sorts and can indulge a passion for landscape gardening.

"The pitfalls which you speak of did not come my way in buying my home though I have found that experience is sometimes costly to the gentleman farmer. When I first started I wanted to run my own show and had an idea that I knew something of farming. I now have a manager and I find that he more than saves me the salary I pay him. While I cannot say yet that my farming venture has been profitable I have reached the point where it is almost breaking even. My losses, however, have been more than compensated by the new interests which farm life have opened.

Health For The Family

"After five years of country life," another estate owner write, "I can say from experience that no father who can afford to do otherwise should bring up his children in the city. I have three boys and a girl all in their teens. All are good riders, though until five years ago they hardly knew one end of a horse from the other. We are close enough to the city to make the trips to and from school hardly longer in point of time than in the days when we lived in the city. At the same time the farm has provided them with the healthy activities of country life both winter and summer.

"The one great reason for the country home in my mind is the scope which it gives for the spending of a comfortable income in ways which are really satisfying. Mine is by no means stupendous but with cheaper living conditions, and less taxes I am able to keep up a small stable, breed show dogs and maintain an establishment, the cost of which would be prohibitive in the city. I believe taking it all in all the country estate has proved an economy.

Farming For Profit

The third man write: "It was more than two years after I made the decision before I finally found the place I wanted for my country home. This time, however, I consider to have been well spent. There are so many factors to be taken into consideration in selecting the proper site for the country estate that a man is a fool who hurries into a purchase simply because he likes the scenery or because it is near enough to a highway to make trips to the city easy. Land, properly selected, can prove a good investment financially as well as from the standpoint of pleasure. To my mind the estate which is not converted as well into a profit paying farm is a waste of money. Livestock breeding and dairying today with proper equipment provide a tremendous opportunity for the man with capital behind him. At the same time the results are far more satisfying. A profit of a thousand dollars made on the farm is better than $50,000 in the stock market.

To make this profit the land must provide crops for winter feed as well as good pasturage. Water must be easily accessible to stables and house. A good deal of money can be spent uselessly in providing and maintaining water supply if this is not done. Another obvious essential is a nearby market for milk or other products. Trucking, especially in the winter months can eat into profits. Another factor which is often disregarded is selection of a sheltered site for farm buildings and the house itself. Tons of coal can be saved by a southern exposure.

"Why do I live in the country? Because I believe, despite hard knocks which I have taken in the past few years that modern farming pays and pays permanently. It is not a fortune making project but it can and does yield a small return on the investment."

Montreal Exhibition

The theme of the tenth annual Produced in Canada Exhibition, to be held in Montreal from Nov. 3 to 13, will be the change and progress in industry and advertising methods, it is announced. Exhibitors are being encouraged to reproduce booths similar to those of 10 years ago, alongside the colorful, streamlined displays of today, as a graphic means of measuring the progress made during the period.

Add a Greenhouse to Your Country Estate

The pleasure of living is greatly increased when you locate a Lord & Burnham greenhouse in your gardens. Such a growing house provides cut flowers all winter long and enables your gardener to grow plants for early bedding out in the Spring. When designed, as is this lovely house of Mr. J. E. Hammell's at Oakville, with a centre lounge, it provides a charming spot for winter entertaining or relaxation. Lord & Burnham Company, Limited, specialists in glass enclosures for 81 years, has prepared two new illustrated booklets. Please have your secretary write for them today.

LORD & BURNHAM
COMPANY, LIMITED
Toronto St. Catharines · Montreal

All greenhouses and conservatories made in Canada at St. Catharines.

R-W. CANADA DOORS for every purpose

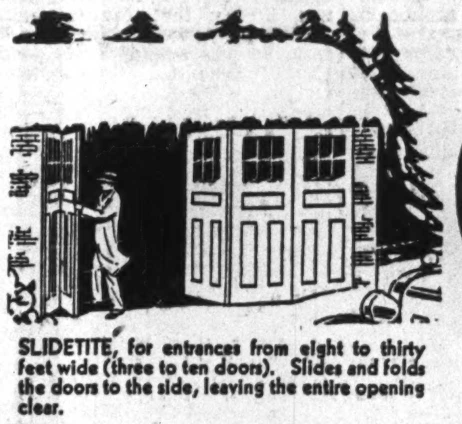
Made in Canada by

Richards-Wilcox "The Door People"

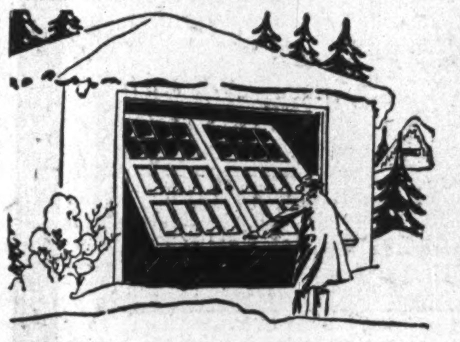
Doors for private garages; doors through which a freight car can pass; doors to keep out cold; doors to keep out fire.

In factories and warehouses, in office buildings and airplane hangars, on countless private garages throughout Canada, R-W Doors and Door Hardware are demonstrating quality in service.

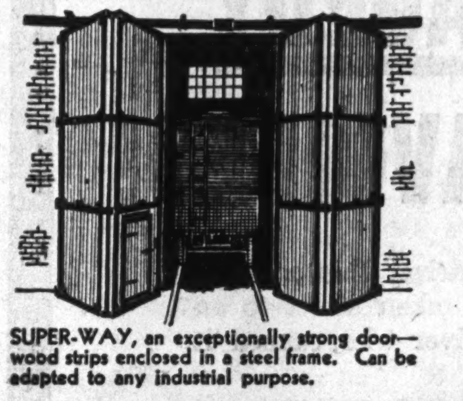
There is One Right Door for every purpose---here are five types---there are scores more. Our forty years of experience as Door Engineers is at your service to find the One Right Door for YOUR purpose.



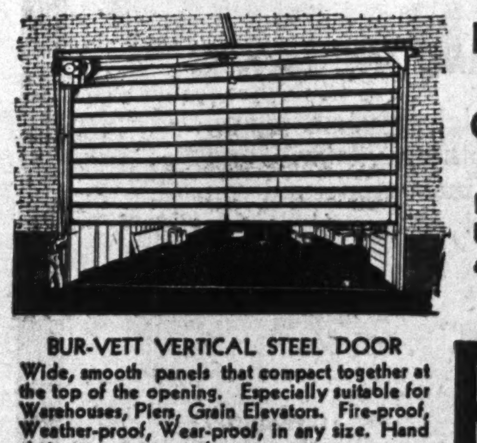
SLIDETITE, for entrances from eight to thirty feet wide (three to ten doors). Slides and folds the doors to the side, leaving the entire opening clear.



MONOTITE, a single-piece overhead door, supplied as a complete unit, or Hardware only, to convert swing doors.



SUPER-WAY, an exceptionally strong door—wood strips enclosed in a steel frame. Can be adapted to any industrial purpose.



BUR-VETT VERTICAL STEEL DOOR
Wide, smooth panels that compact together at the top of the opening. Especially suitable for Warehouses, Piers, Grain Elevators. Fire-proof, Weather-proof, Wear-proof, in any size. Hand chain or motor control.

There are Richards-Wilcox offices in Montreal, Toronto, Hamilton, Winnipeg and Vancouver. Catalogues, quotations, information will be given gladly at these offices or at the Factory Main Office, London, Ontario.

ROLLTITE
Space-Saving
Overhead Doors--
modern and trouble-free

Rolltite Doors open UP and IN and cannot be blocked by snow or ice. They are ideal for industrial garages and warehouses, as well as for private garages.
In any size—with or without "Push Button Control."

Richards-Wilcox
Canadian Company, Limited
DEPENDABLE "ALL CANADIAN" DOORS AND HARDWARE

Now—
It's Automatic
Heating
by FAIRBANKS-MORSE
automatic burners

END THE DRUDGERY AND DISCOMFORT OF WASTEFUL HAND-FIRING OF YOUR FURNACE

With a Fairbanks Automatic OIL BURNER or a Fairbanks-Morse Automatic COAL BURNER you can heat your home comfortably, cleanly, evenly and cheaply—no more wrestling with the furnace—no more drudgery—no more shivery mornings—the heating is automatic and unfailingly just as you want it—that's the modern comfort way!

You'll be delighted to learn how cheaply and easily you can install either one of these new Comfort Systems and our engineers will gladly recommend the type best suited to your needs, be it an Oil or Coal Burner.

A small down payment, and three years Convenient Purchase Plan brings you this modern automatic heat. A phone call or card to us or to our nearest Dealer will bring you full information.

The Canadian
FAIRBANKS-MORSE
Company Limited
26 Front St. West, Toronto ELgin 7471

BUILDING PRODUCTS BP LIMITED
Roofing
BUILT-UP ROOFS
B.P. BONDED ROOFS
10-15-20 YEARS
ASPHALT SHINGLES
THICK BUTT SHINGLES
attractive durable fire resisting
Insul-Ated Sidings . . . Roll Roofings . . . Building Papers . . . Etc.
BUILDING PRODUCTS LIMITED
MONTREAL — TORONTO — HAMILTON — WINNIPEG — SAINT JOHN — HALIFAX

Employee Welfare Series

Profit Sharing Plans Show Wide Variation

All Based on Principle of Sharing Prosperity With Labor Partners in Canadian Industrial Enterprises

This is the seventh and last of a series of articles on the methods by which Canadian employers advance their employees' welfare with monetary considerations and other concrete benefits supplementing wages.

By GUY S. CUNLIFFE
Staff Writer, The Financial Post

The community of interest of capital and labor in all industrial enterprises and the claim of both to a fair share of their mutual success, is recognized by most progressive and soundly established Canadian employing companies.

This recognition is reflected in varying degree by the plans of employee benefit outlined in this series of articles. But it is demonstrated in no more concrete and direct form than in the wide assortment of systems by which workers are given definitely established access to the profits of the institution with which they are associated.

Labor Partnership

Many employers have ceased regarding wages and salaries as merely another item of operating cost. Instead they are classed as a minimum guaranteed return to the labor partners in the enterprise, to be increased in proportion to prosperity of the company from year to year. This status is emphasized in some cases by basing the supplementary return to the worker on his contributions in the way of increased efficiency or suggestions, just as a shareholder's return varies in accordance with whatever he has contributed to capital resources.

The recognition of labor partnership is today widely reflected, even by companies without profit sharing systems, by the joint plant councils and employee co-operative or representative committees through which workers are given a voice in operations and even management.

Profit sharing in its narrower and more precise sense of assuring a specific, predetermined monetary share of profits to all workers, in direct proportion to volume of earnings and without discrimination as to contribution of individual workers, has been comparatively limited in its adoption in Canada. The Ontario labor department survey of employee welfare a few years ago showed that only 16 out of 300 companies surveyed, or 5%, had plans classed as profit sharing.

Broad Application

But profit sharing in its broader sense of profit access, policies producing definite even if unspecified returns from well maintained earnings, is much wider in its application. Under this heading may be included direct profit sharing plans, bonus systems related to either profits or worker efficiency, co-operative savings plans, and empleyee stock purchase plans. Well over half of the companies checked in the Ontario survey had plans of one or more of these four types, and a total of 175,000 workers was covered by the plans (without allowing for duplications and overlapping).

This compares favorably with parallel conditions in Great Britain. A survey this year by the London institution known as P.E.P. estimated that in 1935 there were 269 direct profit sharing schemes maintained by companies employing a total of 342,500 workers, of whom 190,400 participated. In the case of a number of electric supply companies in London, profit sharing has been made compulsory by statute.

It is interesting to note from the P.E.P. survey that of 665 profit sharing schemes known to have existed in the United Kingdom up to 1935, 396 have been discontinued. Among the causes of discontinuance cited are dissolution of business, change of management, diminution of profits, substitution of other benefits, apathy of employees toward profit sharing, and dissatisfaction of employers with results.

Other Methods

In Canada, the principle of sharing has found recognition indirectly in ways other than the four plans mentioned above. During the past two or three years the great majority of companies which had been forced to reduce wages during the depression hastened to restore pay scales to normal, often to levels above those of 1929. Thus a share of returning profits was allotted to workers.

Another channel of profit sharing is the growing movement toward employment stabilization, which in effect requires conservation of profits in good years to maintain steady operations in bad years. Some companies have definite policies of employment stabilization through guarantee of a minimum period of work each year or by restriction on temporary help hired during rush seasons. Others have made great progress, particularly during the last depression, toward retaining as many workers as possible on payrolls despite dwindling business and curtailed operations.

Basic Principle

Details of systems for giving profit access to employees vary considerably, but fundamentally are characterized by the principle that prosperity should be shared with workers. Perhaps the most direct method is the plan of one company for allotting half its profit as a bonus to employees. Other companies allot to workers all profits after a specified minimum of stock dividend has been paid.

Another scheme gives employees a definite lien on çompany earnings by presenting them with shares of stock after a certain length of service. Closely akin to such plans are the systems of employee stock purchase, which both encourage thrift and give workers direct access to profits on a low-rate, easy-payment basis. Under most stock purchase schemes, the company makes some contribution toward the purchases, in many cases matching the contribution of employees.

Stock purchase plans are often associated with co-operative savings plans, under which employers supplement or equal employees' deposits, or at least pay a good rate of interest. During the depression, there was a tendency to suspend stock purchase plans of the co-operative investment trust variety, under which stock was bought en bloc for groups of participating employees; but to continue plans for direct purchase by individual workers.

Systems for stock presentation, stock purchase and bonusing sometimes do not apply to all employees of a company, but are limited to those demonstrating outstanding efficiency, advancing valuable suggestions relating to operations, or otherwise making special contribution to company progress.

Typical Methods

Details of profit sharing plans of various companies are given below:

Imperial Oil Ltd. — Through four co-operative investment trusts, varying in duration from five to three years, an average participation of 4,200 employees (over 50%) bought more than 2 million shares, now valued at about $41 millions. Company contributed approximately half cost of purchases. Total number of participations in all four trusts was nearly 17,000. Highest number in any one trust was 5,105.

General Motors of Canada—1,200 employees shared to extent of $500,000 in distribution by General Motors Corp. (U.S.) to 25,000 employees of $11 millions in cash and stock, under G. M. Employee Savings and Investment Plan. In return for maximum amount of $300 saved at rate of $25 a month in 1930, typical employee received back $691—stock, interest and his original investment. This was twelfth distribution under plan which has returned to G. M. Corp. workers total of $108.4 millions in return for savings investment of $33.5 millions. Last December, G. M. of Canada distributed $270,000 as a Christmas bonus to workers. Has made considerable headway toward employment stabilization.

Canadian General Electric—Has distributed thousands of dollars in suggestion bonuses to workers at Peterborough plant.

Canadian Industries Ltd. — Whenever earnings exceed 6% of manufacturing investment, company bonuses workers who have made exceptional contributions to company progress, applying awards to purchase of company stock over period of four years. Also has co-operative savings plan under which company contributes 25% of whatever employee deposits, plus interest. Maintained stock investment plans for employees in 1927, 1929, 1930 and 1933, making stock available at fixed, below-market rate, with easy payment wage deductions.

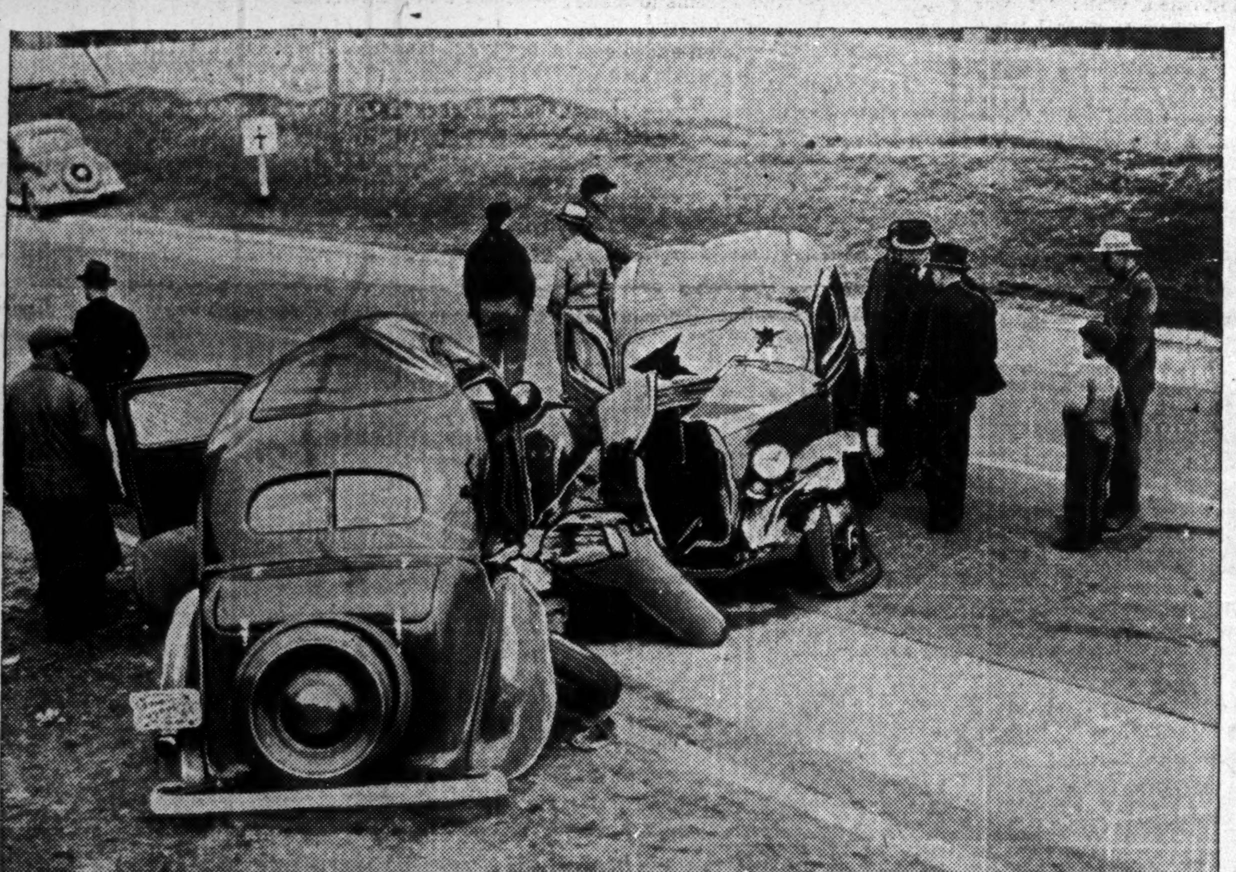
Bell Telephone Co.—Stock purchase plan established in 1920 makes company stock available to employees at fixed cost, through pay deductions on which 5% interest is paid. Last December, 6,000 out of 9,400 eligible employees were subscribing toward purchase of 30,000 shares, and 3,300 employees already held 29,000 fully paid-for shares. Company has carefully worked out employee stabilization plan.

Special Luggage For Air Traveller

With inauguration of trans-Canada and transatlantic air transport services a definite prospect within the next year, Canadian luggage manufacturers are studying the possibilities of producing special luggage for aerial travellers.

On Imperial Airways services to Europe, for instance, the free allowance for luggage is 33 pounds. Recent experiments revealed, however, that with carefully selected travelling bags, adequate clothing and other travel articles could be carried without exceeding the limit.

In a lady's bag weighing 6½ pounds were packed two evening dresses, one evening wrap, one silk dress, one linen suit, two linen dresses, bathing suit, and supply of lingerie, stockings and shoes. In a man's bag weighing 14½ pounds, were packed a sports suit, dressing gown, shoes, slippers, pyjamas, handkerchiefs, lounge suit, flannel trousers, shirts.



THIS GHASTLY TRAGEDY COULD HAVE BEEN AVOIDED!

If it hadn't been for a foolhardy, reckless, criminal driver this accident would have been avoided. As it is, one victim was taken direct to an undertaker's parlours and two to a hospital. The driver who caused it is hopelessly crippled for the rest of his life.

YOU'LL BE IN TROUBLE IF YOU DISREGARD THE LAWS

If you are a reckless driver travelling the Ontario highways, cutting in, passing on curves and hills, endangering the lives of others, you will find yourself in serious trouble. The appalling death toll must stop—and you who are responsible for it will be put off the road! A thousand eyes are watching you; *so be forewarned!*

Ontario Motorists Will Co-operate

When you see a motorist driving in a manner dangerous to the public, take his number, make a careful note of the actual time and place, and when you reach your destination write to the Motor Vehicles Branch, Department of Highways, Toronto, giving full details. We do not invite reports of minor infringements of the traffic laws; you are requested to use sound judgment. *We will deal adequately with offenders.*

ONTARIO

ONTARIO
DEPARTMENT OF HIGHWAYS
Motor Vehicles Branch

Boom Hits Sweden

Country Hopes to Minimize Its Difficulties — Taxes Are Maintained During Recovery and Public Works Discontinued as Industries Hit Stride

By MURRAY R. CHIPMAN
Eastern Manager, The Financial Post

STOCKHOLM.—"Sweden is having a serious boom. I hope we can control it."

These are the words of Professor E. F. Heckscher, one of the four most distinguished Swedish economists. (Of the four, Professor Gustav Cassel and Professor Bertil Ohlin are perhaps the only ones who are well known on the North American continent.)

M. R. CHIPMAN

In my interview with him, I prefaced my opening remarks with the question: "Some of us in Canada look upon Sweden as an oasis of successful planning in the desert of economics. What did you do to lift yourselves so swiftly out of the depression?"

Felt Depression Late

To which Professor Heckscher replied: "I would answer that this way: In the first place we did not feel the depression until later than most countries—not until 1931. Nor did we at any time feel it so severely.

"In Sept., 1931, we went off the gold standard, one week after England did. This held us our trading position in export markets. Of course, our export income in Swedish kröner increased so that production for home market sales was maintained.

"Thirdly, and this is perhaps the basic clue, the markets for our products began to strengthen in the fall of 1932 and have continued to do so.

"Our chief exports, of course, are pulp, paper and timber; iron ore; and machinery. The world seems to want these products. Finland, whose exports are somewhat the same as ours, is enjoying even more prosperous times than we. Her depression policies were different than Sweden's—not so liberal in fact—despite which, however, she is prospering.

Difficulties in Denmark

"Denmark, on the other hand, which has relied economically largely on agricultural and dairy products—it does not, of course, have Sweden's resources in minerals and forests—is still experiencing difficulties because of restricted markets." (To which, let a Canadian observer add, Germany's self-sufficiency programme and the Ottawa agreement have contributed, in the latter case because England is Denmark's largest customer.)

"You will see from this that one conclusion at least is obvious. We have performed no miracles of economic planning. We are not an oasis, as you call it, of our own devising. Though one should mention that as a people we are not given to extremes, our workers are capable and steady and our technical and inventive men have maintained our position in mechanical products."

Professor Heckscher is perhaps too modest about Sweden. But he does reflect a view I have found prevalent everywhere here. There is considerable mystification on the part of the Swedish people as to the cult of perfection which has grown up, notably on the North American continent, concerning Sweden's economic policies and practices—"planning," the "co-ops.," low-cost housing, etc.

Too Strong an Impression

Even spokesmen for the "co-operatives," while keen for their movement and what it has accomplished, tell me that a book such as Marquis W. Child's "Sweden—the Middle Way" creates too strong an impression of perfection. There are still fields to conquer and present problems to be overcome.

I asked one of Sweden's important businessmen for his views on the co-operatives in his country.

He said: "They are playing their part in our economic picture—one might say, the part of evolution instead of revolution in the democracy of capitalism. They have had exceptional leadership especially in their head, Albin Johansson, who is a very keen businessman and probably Sweden's ablest merchandiser."

I told this man I was surprised to find the degree to which labor was organized in Sweden. Over 90% are unionized and the labor unions are a recognized force. He replied: "Yes, the labor unions are strong, but the Swedish worker is both intelligent and gifted with common sense. If a plan, jointly discussed, is reasonable, it is acceptable. Our unions do not mean a 'closed shop' in the sense that John L. Lewis is seeking at present in the United States because our unions in their organization are bound by and accept responsibility."

Stockholm, the capital of Sweden, is rightly ranked as one of the world's most attractive cities in its setting. Its old buildings show that its roots are deep in the past. But its strikingly modern buildings mirror the vitality and art with which Sweden adapts new materials and new ideas to today's and tomorrow's use.

Before leaving Canada to come on this tour of European countries, I heard Prof. Bertil Ohlin, speak to the Canadian Club of Montreal. What he said then about the true reasons for Sweden's phenomenal recovery I have confirmed here. It has not been the co-ops or managed currencies or membership in the sterling bloc that has been the easy key to Sweden's recovery. Sweden has come through primarily because of recovery in the world markets for her products.

Still Holds Good

I brought along a clipping of an article in The Financial Post of June 5. After discussing the situation with eminent Swedish businessmen and economists I am convinced that it presents the truest picture that could be given. I quote two paragraphs:

"Most of those who have attempted to draw lessons from Sweden to suit their particular purposes have failed to stress the homogeneity of Sweden's population; the frugality, industry and evident common sense of the people; the country's simple economic structure; and the comparative lack of conflict between the economic aims of its various geographical sectors. All these have been important factors in Sweden's recovery.

"Another phase of economic management in Sweden has received much study. This is the deliberate unbalancing of the budget, which permitted the Government to take up the slack of unemployment left when private business was hit by the world depression. Not enough has been made of the fact that when Sweden indulged in budget deficits, it did so according to a plan. Part of the plan provided that, when recovery came the country would repay the debts it had incurred through governmental deficits. Sweden has carried through with its plan and today is repaying its depression debts."

At the bottom of the depression the Swedish Minister of Finance presented budgets that provided for 75% of current expenditures to be raised out of taxes and 25% to be borrowed.

Taxes Unchanged

Now that recovery has come to Sweden, the country has continued to levy the same taxes and has refrained from increasing its expenditures. As a matter of fact, it has reduced them and cut out public works entirely. In the current budget the surplus of income over expenditures amounts to 10% and all of this will go to pay off crisis loans. By the end of this budget year, all the loans made in the years of depression will have been repaid and the country will start to rebuild some of the reserves that were tapped to finance re-employment activities.

I am told that the Swedish do not know how to enjoy prosperity. They are "a curiously inhibited people—taking their pleasures in simple and personal ways." There is no modern night life in Stockholm, for instance.

A loaf of bread, a jug of wine and thou—plus a bicycle, a pair of skis or a graceful sail boat—are enough, and a pretty satisfactory enough it is at that. It's the Garbo in them—"I want to be alone."

Regina Hails Plant Opening

General Motors Factory Will Provide Jobs for 400

From Our Own Correspondent

REGINA.—Reopening of the Regina General Motors plant will mean that 400 to 500 men will be employed from Nov. 15 to June on a daily output of 125 cars and trucks. Business generally was heartened by the announcement from Oshawa that the plant would resume operations. It will mean some families being off relief rolls this winter and others who were doing temporary work here and there being on full-time jobs.

Average salary based on a $500,000 payroll from November to June would run approximately $31 a week.

Closed Since 1931

The Regina plant built in 1928 was closed in 1931 after a short period of operation. Since then a skeleton staff has taken care of the plant, but the general office building has been in use continuously.

The staff of technicians and office experts that had been centred here with the opening of the plant after construction is now dispersed over the country, and if any number of experts are brought into Regina, particularly if they are in the higher salary brackets, it will mean they will be hard-pressed to find the class of homes they require as few better-class houses are vacant for any period of time.

Labor Agreement Made By Aluminum Company

From Our Own Correspondent

MONTREAL.—Announcement is made here that the Aluminum Co. of Canada has made a collective labor agreement with the National Catholic Unions covering the company's 1,800 employees in the model town of Arvida, Que The amicably negotiated contract provides for recognition of the Arvida unit of the Catholic syndicates, but not for a closed shop; a 48-hour working week, a scale of minimum wages, and wage increases averaging five cents an hour.

Negotiations for a similar agreement covering the firm's 700 workers at Shawinigan Falls, Que., are reported progressing toward a mutually satisfactory conclusion.

Vancouver-U.S. Air Route Merged in Trans-Canada

From Our Own Correspondent

MONTREAL.—Trans-Canada Air Lines has taken over the Vancouver-Seattle airmail and passenger service, heretofore operated by Canadian Airways Ltd., according to an announcement by S. J. Hungerford, president.

This service, which will be a branch of Canada's transcontinental air service which is now in the process of organization, affords facilities for communication between Vancouver and a large number of commercial centres in the United States and eastern Canada through connections at Seattle with United States air lines.

Liquor Sales

Gross sales of alcoholic beverages by the New Brunswick Government stores for the fiscal year ended Oct. 31, 1936, amounted in value to $2,695,859, according to a revised Federal report.

Coke Production

Coke to a total of 419,675 tons was produced in Nova Scotia, New Brunswick and Quebec Provinces during the first six months of the year, as compared with 386,881 tons in the same period of last year.

"FREEDOM AND A FRIEND!"
Guided by the watchful eye and faithful care of dogs trained by The Seeing Eye organization, in Morristown, N.J., many blind men and women are today going about freely and safely.

The Seeing Eye

MOST blind persons say the world is kind. Everyone with whom they come in contact wants to help, but only a few of the sightless men and women in this country are able to have Seeing Eye dogs.

Too many people take their own "seeing eyes" for granted. They fail to realize that neglect may lead to blindness. It is estimated that the eyesight of more than half of the 120,000 blind persons in Canada and the United States could have been saved by modern medical science had steps been taken in time. Much of the trouble is due to neglect of the eyes during infancy and early childhood. Surely this knowledge should prompt everyone—especially parents—to guard against the tragic waste of human sight.

What are the causes and what are the symptoms of imperfect eyesight?

Nearsightedness, farsightedness and astigmatism are the most common causes of eye trouble, which usually can be corrected by glasses. Diseases of the eye, involving permanent impairment of vision, are extremely serious. Sometimes they are the result of unsuspected kidney disease, diabetes or syphilis, and if untreated may eventually lead to blindness. Expert medical care is essential.

Common symptoms of eyestrain may be "diminishing vision," severe, recurring headache, insomnia or dizziness. People may fail to realize the damage done to the eyes by carelessly straining them in dim light. It is harmful to read in bed unless the head and shoulders are propped up, the page well lighted and held below the line of vision. Never use eyewashes, ointments, salves or other remedies unless advised by an eye specialist.

As people grow older there is a gradual lessening of elasticity in the lens of the eye. The muscle does not work as freely as it did formerly. It becomes more and more difficult to read and see close work clearly without corrective glasses.

Testing the eyesight of school children is required by law in most communities, but no law compels adults to have their eyes examined regularly. Every grown person should see an eyesight specialist at least once in two years, if he or she would continue to enjoy the blessing of good vision.

We shall be glad to send you, free, the Metropolitan booklet "Care of the Eyes." Simply address Booklet Department 9-F-37 Canadian Head Office, Ottawa.

METROPOLITAN LIFE
INSURANCE COMPANY
NEW YORK

FREDERICK H. ECKER
Chairman of the Board

LEROY A. LINCOLN
President

CANADIAN HEAD OFFICE—OTTAWA

SERVING CANADA SINCE 1872

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED DEBENTURES ISSUED
Mortgage loans on owners' homes at low rates of interest
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

Art VS. ARTFULNESS

● A close inspection of bonds, debentures, bank notes and other "money symbols" engraved by this Company, will disclose a wealth of detail and design that could be executed only by men of exceptional skill, patience and experience. It is the work of the best steel engravers in the world—men whose art defies the artfulness of counterfeiters.

For additional security, we use a safety paper which counterfeiters cannot obtain—a paper with the distinctive appearance and "feel" which stamps it as genuine.

This is the service we offer you in the engraving and printing of all important financial documents.

EXPERT
and
EXPERIENCED
Engraving and
Printing of

Bank Notes
Bonds
Debentures
Stock Certificates
Cheques
Drafts
Postage and Revenue Stamps
and other Monetary Documents

4-37

CANADIAN BANK NOTE COMPANY
Limited

HEAD OFFICE
and WORKS
OTTAWA

BRANCH OFFICES
TORONTO
MONTREAL

THE FINANCIAL POST
Largest Circulation of All Canadian Financial Papers
Vol. XXXI Member of Audit Bureau of Circulations ★ PUBLICATION OFFICE: TORONTO, SEPTEMBER 11, 1937 ★ 10c a Copy; $5.00 a Year No. 37

Aberhart - - As Alberta Sees Him

Editors of Alberta Weekly Newspapers See Little Hope of Defeating Government — Merger of Opposition Groups Only Chance

Have your people lost faith in Aberhart?

Would they return him to office if an election were held soon?

Have they lost faith in Social Credit?

These three questions were asked editors of all the weekly newspapers in Alberta by The Financial Post.

If an election were held immediately in Alberta it is the firm conviction of an overwhelming majority of the weekly papers that Aberhart would be re-elected. But the editors agree that both Aberhart and Social Credit are now in the downswing of public favor.

The Financial Post has polled the weeklies for a cross section of opinion in the rural districts—admittedly the stronghold of Social Credit.

It is significant that while 95% of the weekly editors of Alberta are opposed to Aberhart and do not believe Social Credit is practical, only three concede a chance to defeat the government if an election is held immediately, and not one is completely confident.

Most of the editors see a chance to get rid of the Social Crediters if opposition forces can be merged into a single unit. This, they fear, is difficult at the moment. Their hopes are pinned on E. L. Gray, Liberal leader.

Two take the stand that Social Credit is a disease and has to run its course; that recovery will come with the gradual attrition of the Aberhart forces.

Not one of the 26 editors who answered the questionnaire favors Aberhart or Social Credit. S. R. Hodson of the Okotoks Review, in Premier Aberhart's own riding of High River, Okotoks, is the most optimistic. He confidently predicts the personal defeat of the premier; not quite so confidently calls for the defeat of the party.

Except in a few cases, answers to the questionnaire are given without names. One publisher explains: "Please withhold my name and the name of the paper. My district was nearly 90% Social Credit in the last election, and I believe you will agree that there is no use stirring up a hornet's nest with those who are still gullible enough to fall for the promises."

Here are some of the reasons advanced why Aberhart is still riding high:

Still Alberta's Moses

"Regardless who the leader is so long as he is attempting to remedy economic injustices which have for years burdened Alberta, the majority are behind him. Until the present government has been given every opportunity to try out social credit, it will be a waste of money to hold an election."

* * *

"Ignorant and easily led foreign-speaking people and many who are not foreign, just ignorant, still worship Aberhart . . . He would be returned to power in an election, possibly with a reduced majority. The more intelligent farmers have turned against him but until Aberhart admits that he cannot do what he promised to do the 100% Social Crediters will support him . . . The situation in Alberta is serious. It has every appearance of a war of attrition. Social Credit versus Opponents and Father Time only can tell the result."

* * *

Opposition Divided

"If the Liberal party or the Conservative party were organized on a footing with Aberhart there would be a chance to win an election. Both major parties are poorly organized and an election coming up in a hurry would give them no chance to whip themselves into a unit that would show results. . . A small percentage of the Social Credit followers could at the present time be won over by any political organization offering some immediate action to form a concrete government."

* * *

"As you are aware 54% of the people of this province supported Aberhart. Perhaps two-thirds of them really believed in Social Credit as far as their intelligence permitted. The other third voted on the basis that a new government cannot be any worse. Today it is safe to say that the latter one third have been completely cured . . . The chief supporters of the present Government are the people on relief, the people in debt who want to find a way to keep from paying their debts, and the religious fanatics . . Aberhart will receive a rather large silent vote from those who hope to escape financial obligations . . . It is possible that Aberhart may discard the preferential ballot but even if he does not it will require the combined strength of the three older parties to offset the strength of the combined forces of Social Credit, its blood brother Communism, its first cousin, C.C.F. which includes the left wing of the U.F.A. and the straight Labor vote. Aberhart does not want an election and unless the entire Government is dismissed by the Federal Government we are liable to have Mr. Aberhart as the Premier of Alberta for anywhere from nine to 20 more months."

* * *

Money on the Nose

"Why would Aberhart be returned with a large majority now? Well, when you bet on a horse race you want your horse to win. Thousands of persons have contributed to his broadcasts and in other ways want him to win. Mr. Aberhart has an uncanny flair for mob psychology . . . Have the people lost faith in Social Credit? Should Aberhart suddenly withdraw from the arena—decide to live in South America, for instance—Social Credit would become a dead issue in Alberta."

* * *

"Social Credit is on the wane in Alberta as many of the thinking citizens have withdrawn their support, but if an election is called shortly with the fight against the 'moneyed interests' as the issue, it is likely Aberhart would be re-elected, but with a smaller majority."

* * *

Drifting Away

One editor is hopeful of the defeat of the Government: "If an election were to be held at this time Social Crediters might elect a member, but it would be somewhat doubtful. There is a gradual drift away from Aberhartism and I believe I can confidently predict that he will retire from the Government as the most despised man in the province."

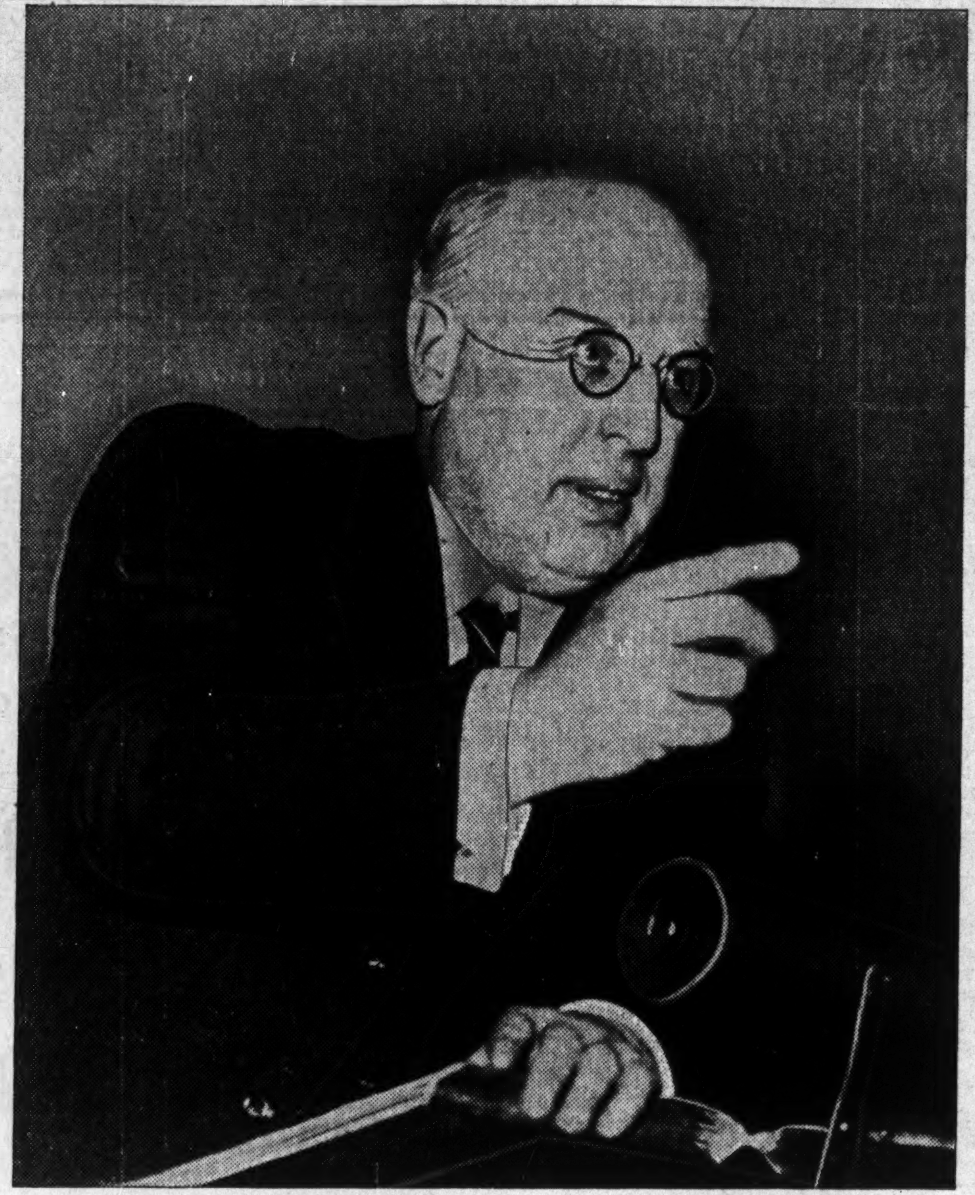
* * *

C. L. Willis, editor of the Stettler Independent, writes: "As long as crop conditions are below normal, the people will look to Social Credit as a way out. The sooner the loan companies come to some reasonable understanding with the debtor population, the sooner will sound government come to Alberta . . . The situation is not by any means clear but to me there is a drift discernible away from Social Credit or at any rate away from Aberhart which was not in evidence a year ago. There is a freer atmosphere in Alberta for trenchant criticism . . . During the insurgent movement a number of people lost faith in Aberhart but the insurgency has been patched up. I believe that they have lost faith in the dividend but the bank legislation is popular, although they realize that it is a bluff."

* * *

A Close Race

A Southern Alberta publisher really doubts if Aberhart would be re-elected: "While I do not believe that he would be returned to power again, the decision would be very close, and if new bait could be held out as the dividend was in 1935, and has been since, it would not be surprising to see the balance swing in that direction. We are in Alberta and are for Alberta and are hopeful that some good may come out of the mistakes and blunders which have been made. I believe, however, that most people are beginning to think that the job is too big for the man. His hasty actions have been the cause of considerable criticism among his followers. In the fundamentals of Social Credit many people still have hope. Many of these same people feel that there is little merit in Social Credit legislation which has been attempted so far. One of the practices that has tended as much as anything else to turn his followers against him is his turning his Sunday Institute broadcasts into political attacks. For playing on the moods of the people, and as a master in mob psychology, he has no superiors and few equals."


Premier William Aberhart: "Master of Mob Psychology"

* * *

"In my opinion, and that of many others, there is only one way to defeat Aberhart if an election is called and that is by the other parties—Conservative, Liberal and U.F.A.—sinking their difference for the time being and running only one candidate in each constituency. Otherwise, he will win, although his following in the house will be reduced. The majority of electors who voted for Aberhart still have faith in Social Credit."

* * *

"Premier Aberhart has gained a large personal following over a number of years and no amount of criticism can disturb the faith of only too many of these people. I do not think many have much faith in ever attaining a monthly dividend but they look upon the Premier as a strong leader against oppressing forces. Then the Opposition is very much divided and as yet no strong leader capable of welding forces has appeared. Criticism, particularly from eastern Canada, I believe, has the effect of solidifying Aberhart's support."

* * * *

"They've Got to Try It"

"In essentials the situation is: to orthodox financing is chiefly due the present inability to meet public and private liabilities. Drought and the depression merely expose the trouble. Credit at cost under provincial management is the suggested remedy. The present Legislature was elected to try it out. They've GOT to try Social Credit."

* * *

"Of the 80% who supported Social Credit in the last election here, it is estimated half have lost faith in Aberhart. This leaves a 40% support but the Opposition is divided into three major parties: Liberals, U.F.A. and C.C.F. The remaining Social Crediters have by no means lost faith. These are the fanatics and the religious devotees of the Bible Institute. Waverers may return to Aberhart at the cry: 'Hands off Alberta'; moreover there is a province-wide stumping campaign exploiting this slogan."

* * *

A Shot in the Dark

"You ask: 'have the people lost faith in Social Credit?' Can any man say he has faith in a problem he doesn't understand? He may exercise faith in the teacher. And this is where Aberhart nearly lost out. The people got suspicious that he did not understand the problem either. That was the reason for the insurrection in his own party, and that was the reason for the appointment of the Social Credit board, which in turn was the reason for going to England for assistance. The advent of Powell (Douglas envoy) has to a great extent renewed faith in Social Credit. The question now is: Can he put it over? Your guess is just as good as mine."

* * *

"Would Alberta return Aberhart to office? They might, but with a greatly reduced majority. His strength lies in the farming community and among the unemployed in towns and cities. Please try to understand that many farmers have lost their crops year after year. As for the industrial workers many have lost their homes and the savings of years. They really do not know what it is all about but Aberhart assures them that by using their own credit they can pull themselves out of the hole they are in. Can you blame them for clutching at straws? He is their only hope. They no longer have faith in the old line parties. The reason for that is broken promises."

* * *

Must Run Its Course

"The Social Credit disease has to run its course like the measles or scarlet fever. The most effectual cure will be for the people to have brought home to them the utter incapacity of Aberhart and his Cabinet to increase purchasing power. Lack of counter propaganda to his destructive and demoralizing teachings is a factor in his favor which should receive the consideration of banks and other financial institutions under attack. The weekly newspapers of Alberta almost without exception, without any attempt by their association at regimentation, have roundly condemned Aberhart policies and it would appear that on them, in addition to the dailies, has fallen the task of trying to offset the unprincipled and unjustified attacks of a man who, under the cloak of his Bible Institute and the promptings of his 'experts,' is doing his best to isolate Alberta from fulfilling its part as a province of the Dominion."

The same editor adds: "Aberhart still has a large following of people who will always favor taking from those who have to give to those who have not, his appeals to the mob being almost similar to those of the Communist party, and he is just as unreasoning and illogical. It is difficult to say whether or not he would be returned to office. A large number have that blind faith in Aberhart which does not permit them to see anything but Aberhart. Have they lost faith in Social Credit? Possibly a percentage have, but they will not admit it. Some who admit his inability to implement his promise exclaim, 'Well, he has given us good government'."

* * * *

A Minority Victory

"The people have lost faith in Social Credit as a solution to our troubles more than they have in the premier. I do not think a Social Credit candidate would receive a majority of votes in this constituency but all other parties would have to combine to make a change. . . The businessmen have lost faith but many of them believe that little harm has been done the province and that Mr. Aberhart's unprecedented actions will have a good influence in the future regulation of finance and financial institutions. In the farming districts there is less loss of faith, and Social Credit group meetings are still well attended."

* * * *

Another publisher doubts an election will be called now. "Aberhart says he will not; but he has said lots of things today and denied them tomorrow. Half the people never had any faith in his dividend. The 1935 vote was a protest against conditions. That Aberhart has not improved matters will not however, disturb his supporters very much as he is an adept at blaming somebody else when things go wrong. Right now, as you know, he is making the welkin ring with condemnation of Mr. King and Mr. Dunning, not to mention the nefarious 'Fifty Big Shots.' I hate to say it, but I suspect that if an election were called now, the Aberhart Government would be sustained.

"First, they have a marvellous organization consisting of Social Credit study groups all over the province. That no one understands Social Credit seems to make these groups all the more enthusiastic. Second, there are always more down-and-outs, or people on the verge of being down and out, than there are of people ranging from self-supporting to fairly prosperous circumstances. The down-and-outs are for Aberhart to the last man and woman. Third, Aberhart is not to be despised as a spellbinder and no matter how preposterous his statements are, his audiences swallow them. Fourth, he has a group of men around him who are also spellbinders of sorts. Fifth, his opponents are still very much disorganized. Still there are hopes that Mr. Gray, the Liberal leader, will make headway, not so much as a Liberal, but as a leader of a union group."

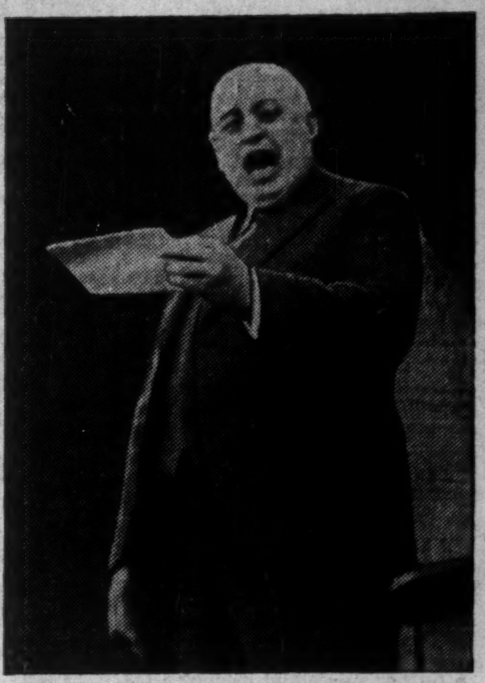
* * * *

Fountain Pen Magician

"Although I feel personally that the majority of my readers who two years ago were made suckers are gradually losing faith in their Moses, I am fully cognizant of the fact that the egoism of that gentleman has imbued such a spirit of false faith in him by his followers that, should he decide to go to the people just now, his party would be returned—at least in this district—by a fair majority. . . . Fairly trustworthy information indicates that there is a considerable falling off in the numbers of dupes and yet it seems that Aberhart has only to think up some one or other of his hare-brained schemes to have most of the original S.C. voters backing him for another term, preposterous as well as ridiculous though it seems. Owing possibly to the prophetic truth of Barnum's statement it seems to me that until some other party outside the old line boys can get and hold the ear of the voters around here, the same unbounded faith in the fountain-pen magician will remain extant, sorry to say!"

* * *

"Two thirds of the Social Crediters right today think that the government is ready to usher in a new heaven; the other third is watching the wind," writes Publisher A. Jenson of The Coronation Review, adding that his views are in no way confidential. "Strangely enough Social Crediters here seem to have regained since June their badly shattered faith in Aberhart. . . . It is confidently expected that in the event of an election this fall, he will be returned, but with a much smaller majority. Nobody wants an election, from what can be learned . . . the non-Social Crediters are split in their feelings. A few view the present situation with alarm, a few are unconcerned, while the majority are caustic in their remarks, but are unwilling to join any concerted action. The situation may be summed up briefly: The ranks of Social Credit are made up principally of those who have never previously taken any interest in politics. The ranks outside are made up of people who have always followed some political belief, and while they may be numerically larger, are considerably weaker due to their undying faith in their particular belief. Non-Social Crediters regard disallowance of bank legislation as the only and proper course."


"No Mean Spellbinder"

* * *

Still Gets Applause

"If Aberhart wants an election he's got a great setting for it just now. He cracks down on the old line parties at every meeting and receives great applause. I believe he has the Liberals mostly in mind. They are his most active opposition and now he's added Prime Minister King to the list. I think Aberhart feels that the Liberals have the best chance of ousting him in the long run. The old war horse seems to have the knack of arousing the slipping ones to further hopes every once in a while and if an election were held this fall I believe he would be returned with a reduced majority. It is quite true, however, that membership in the Social Credit groups has lessened."

* * *

"If the other political parties adhere to the old idea of each putting a candidate in the field, Social Credit would win again, but let it be a straight two party fight and it will be a horse of a different color. A good man, known to have no party strings, standing for sound government, could carry this constituency as an independent. Many of the original supporters still cling to social credit and the recent vetoing of the banking bills makes them more determined than ever that there is something in it; that the Dominion is helping the Money Barons kill Social Credit."

* * * *

Losing Ground

"If the opinions of the newspapers of Alberta mean anything, then Social Credit is doomed. Social Credit has lost ground locally, but I still believe Aberhart candidate would carry local constituency if an election were called now. Most certainly this will be the result if the old line parties do not get together."

* * *

"Many of those who worked zealously for Social Credit in the last election have lost faith. But Aberhart still has a large following (and not all among those who have no stake to lose) who are still confident he is the Moses to deliver Alberta out of bondage. If the Liberals, Conservatives and farmers run independent candidates, I fear Aberhart would be returned in an early election."

Predicts Premier's Defeat

S. R. Hodson, editor of The Okotoks Review, in Premier Aberhart's own constituency of Okotoks, High River, writes:

"In regard to this constituency I don't think there would be any chance of Aberhart being elected here again (editorial Aug. 6th, 2nd part) nor do I believe that if all other parties worked against the Social Credit party could the latter be re-elected again. They only got 54 per cent of the vote in the last election and have lost tremendously since. Their only chance would be to cut out proportioned representation, trust to the opposition to them being [illegible] led and go to the country with the cry, 'The People versus the Banks.' I don't think even that, however, would put them in again. Too many people have been disillusioned since the election

"A point I would like to draw to your attention and which I don't think enough has been made of. Aberhart and his supporters raise the cry all the time of the 'Financial Press' trying to give the impression that all the opposition comes from 'The Financial Post,' 'Calgary Herald,' 'Edmonton Journal.' In connection with this, however, it is rather significant that 95 per cent of the Alberta weekly [illegible] who could by [illegible] stretch of the imagination be called 'financial' are opposed to Aberhart and don't believe 'Social Credit' is practical. Some of them are very caustic critics and I think I am among the severest because he happens to be our member. Now, if 'Social Credit' were really for the benefit of the people surely the weekly newspaper publishers or half of them would be able to see that."

Opposition Given Fillip

From Our Own Correspondent

EDMONTON.—The movement in Alberta for a co-ordinated opposition to Aberhart policies has received new impetus since the Social Credit administration deliberately moved the issue into the realm of constitutional conflict and defiance of Ottawa's authority.

At the same time, fusion efforts received a set-back in the first opportunity that has opened for a test of joint action, that is, in the Edmonton by-election on October 7. The set-back resulted from refusal of Edmonton Liberals to support plans to run a Liberal as a fusion candidate. During Labor Day week-end Liberal Leader E. L. Gray personally intervened and approaches to other parties followed.

Another by-election is in the offing, however, in Lethbridge, where the Social Credit member, H. E. Wight, resigned to accept a job in Calgary. A by-election is required before the end of November.

Premier Aberhart's defiance of Ottawa on the disallowance issue and his claims to overwhelming support of the people in the course he is following, have brought a new phase to the situation, first fruits of which were a mass meeting at Calgary on Sept. 7, for the sole purpose of protesting against the provincial attitude. Liberal leader E. L. Gray and Conservative leader D. M. Duggan both addressed the meeting.

Concurrently, through boards of trade, an organized protest against Alberta's defiance is under way, designed to demonstrate support for federal authority and the constitution, and to offset the agitation being stirred up by Premier Aberhart and his cohorts in a series of meetings being held by Social Credit forces.

An example of the misrepresentation charged against Mr. Aberhart was the wire a Social Credit meeting at Calgary dispatched to Prime Minister King claiming Aberhart support from an assemblage of 20,000. Independent estimates reported the meeting as between 2,000 and 3,000 persons.

Mr. Gray's proposal, announced last June when he accepted the Liberal leadership, of co-ordination of forces has produced little tangible result so far. He has now undertaken a new drive toward the same objective, selecting a four-member co-ordination council, to which all political groups interested in joint action are invited to add a representative. Mr. Gray's council consists of W. H. Davies, Didsbury farmer; Paul Farnalls, Halkirk farmer; S. A. Fox, Innisfail merchant, and Charles Fredericks, Peace River newspaperman.

Admitting that he had encountered differences of opinion regarding methods to attain co-ordination, Mr. Gray laid down the principle of constituency autonomy as a basis of negotiations. In other words, the political forces in each riding are invited to make their own arrangements about candidates and organization against Social Credit, without dictation from the outside. Under these terms, Mr. Gray offers his leadership to a fusion movement.

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Winnipeg Electric

I hold some of the stock of Winnipeg Electric Co. and would like to know if there is any likelihood of a dividend being paid in the near future.

Winnipeg Electric Co. has been making satisfactory progress since its reorganization. Interim financial statements indicate that the company is not only covering the senior interest charges and depreciation, but also interest on the B bonds. The outlook continues along satisfactory lines, but there is no indication of the dividend on the common for some time to come. Under the terms of the reorganization the company has outstanding over $1 million of contingent certificates. No dividends can be paid on the stock until these certificates have been retired.

Asbestos Corp.

Will you please let me have your opinion on the outlook for Asbestos Corp. Why did the stock decline in value? When will the company pay a dividend?

Current outlook for Asbestos Corp. continues to be favorable. We understand that sales are the highest in several years, while the selling price continues satisfactory. Income account for this year should show a further substantial gain. The reason for the drop in the price of the common was liquidation of speculative accounts. For some time now, the stock has been more or less stable, indicative of investment buying. Retirement of the general mortgage bonds removed the last obstacle in the way of dividends, though action in this regard is unlikely until 1937 results are known.

W. D. Beath & Son

Can you outline the results of operations by W. D. Beath & Son in the past two years?

W. D. Beath & Son, Toronto, manufacturers of steel containers, had an operating profit of $10,577 in 1936, approximately double that for 1935. Only partial depreciation was provided, but a deficit of $7,454 was shown in 1936, resulting in another deduction from surplus. Working capital, however, was somewhat strengthened and amounted to $241,027 at the end of 1936. The company reports progress with new lines and that its regular lines are showing improvement. Judging by the first three months operations, according to the president, "there is every indication that 1937 sales will show a substantial increase over 1936." Advances in cost of either labor or materials would curtail sales.

Dominion Coal

What is the situation in regard to Dominion Coal? I notice that at present market price, the preferred stock returns a relatively high yield.

The market value of Dominion Coal preferred does not reflect earning power. This is due to the widely held belief that the prosperity of the company in recent years has been due solely to the Dominion Government's subvention on shipments of coal from the Maritimes to central Canada. While the subvention undoubtedly is a tremendous help in marketing its coal, it is possible for the company to earn the dividend on its preferred without the subvention. As far as earnings are concerned, the company's financial statement shows the preferred dividend earned by a substantial margin. Reports on current operations indicate that there has been no let-up in sales.

Can. Gen. Investments

I hold three bearer warrants for 40 shares of Canadian General Investments Ltd. The charges which the bank makes for cashing the coupons reduce my income from this stock and I would appreciate any suggestions you can make for avoiding costs which seem excessive.

You could avoid the charges which you mentioned for cashing your coupons by exchanging present bearer share warrants for registered stock. In the case of registered stock the company pays dividends by cheque from the head office. If you bought your certificates originally from the company there would be no charge for issuing a new certificate in registered form, but if your shares were purchased from a broker there would probably be the regular stock transfer tax. There is one point to remember in this connection. As you live in Alberta, in the event of your death, your estate would be required to pay succession duties in both Alberta and Ontario on this stock if you held registered stock. This would be avoided if you retain your present bearer share warrants. We suggest that you communicate with the company at 320 Bay St., Toronto.

Royalty Unit Certificates

Will you be good enough to let me know what you think about buying units from the Trust & Guarantee Co. of Calgary covering oil? I believe this company issues these units on producing wells in the Turner Valley, and unless a well has proven to be worth while it is not taken into the trust. They guarantee a return on one's money of 12% payable each month.

These royalties do not guarantee a return of 12% or any specific return.

The value of the Royalty Unit Trust certificates issued by the Trusts and Guarantee Co. Limited, under trust agreement with the financial agents, Clifton O. Cross & Co., depend entirely on royalty selections. It is noteworthy that in the literature of Cross, it appears from the way the type is set up that the Trusts and Guarantee Co. is the issuer and, therefore, the promoter of Royalty Unit Trust certificates. This is not the case. It is true that while the Trusts and Guarantee Co. issues the certificates, it does not pledge its own assets behind them. It acts as an agent for the organization and takes care of the royalties which really belong to the unit holders.

The literature about Oil Royalty Trust certificates indicates that there has been considerable success in drilling wells on which the company has royalties. That, in itself, however, indicates the uncertainty of the investment. How long will the oil wells last? It would be safest to regard all the income as return on capital until you have your full investment returned.

The complication in investing in oil royalties certificates is that it takes expert geological information, which is not available to the ordinary investor, to be sure of the actual and potential value of the royalties which are purchased through the unit certificates.

Supersilk

I am interested in the class B common and preferred stocks of Supersilk Hosiery Mills, Ltd., and would appreciate information concerning the company with particular reference to these stocks.

In Dec., 1936, the Supersilk Hosiery Mills, Ltd., settled arrears of dividends on its preferred stock through the issue of arrears certificates for $17.50 a share. No dividends can be paid on either the class A or the class B common while these arrears are outstanding.

The only difference between the two classes of common stock is that the class B carries one vote per share, while the class A is non-voting. Dividend on the preferred stock was reduced from 7% to 5% and the initial dividend of $2.50 a share was paid on July 2, 1937. The company did not issue an income and surplus account prior to 1936, but statement of net profits given indicates ability to earn the dividend on the preferred. Sales were reported of $850,000 in 1936, and the company estimates that this will go to over $1 million in 1937.

Trans-Canada Shares

Can you give me any information about Trans-Canada Shares, including the present price and dividends record?

We do not obtain regular quotations on Trans-Canada, but at May 19, 1937, the stock was offered at $14.35 a share. As the price is based directly on the market value of underlying securities and general market prices have tended to be lower in recent months, it is not likely that today's offering price will be any higher than that which we have quoted. Trans-Canada Shares is a fixed-type investment trust. Purchases are made of shares in 15 leading corporations whose equity securities are regarded as among the highest grade available in this country. Then for each group of shares so purchased, 1,000 Trans-Canada Shares are issued, the underlying common stocks being held by a trust company. There is not always as active a market for these shares as for securities listed on the stock exchanges. The company's dividend record has been as follows: 1934, 36.2 cents; 1935, 17.6 cents; 1936, 23.3 cents. The latest distribution was 31.4 cents a share paid in June, 1937. The yield, however, at current prices for Trans-Canada Shares is still rather small.

Metropolitan Bldg.

I hold a $1,000 7% bond of Metropolitan Building Ltd., Toronto, and have just heard that these bonds were redeemed. Can you give me the details?

Metropolitan Buliding Ltd. 7% first mortgage bonds were redeemed on July 15, 1937, at 103. You can obtain the redemption price, plus interest to date of redemption, on application to the Chartered Trust and Executor Co., Toronto. Interest on the old bonds will not accrue after July 15, 1937. The company issued serial and 15-year first mortgage bonds to provide funds for the redemption. The new bonds bear interest at the rate of 4¼% on bonds due 1938 to 1942, at 4½% on bonds due 1943 to 1947, and at 5% on bonds due May 15, 1952.

Burlington Steel

Can you give me a report on Burlington Steel Co.? What are the prospects for continued dividend payments?

Burlington Steel Co. this year has been handling much larger tonnages than a year ago. Last year's earnings amounted to $55,892, or 39 cents a share on the outstanding 140,000 shares. For the past ten years average annual net profits have been 75 cents a share. A substantial increase in earnings is expected for 1937 and there does not appear much doubt as to the company's ability to maintain the present dividend which has been raised from 10 cents a share to 15 cents a share for the current quarter. The prospects of increased earnings bring the possibility that a further increase may be made after the results of 1937 are known.

Inter. Metal Industries

Can you tell me the difference between the two classes of preferred stock of International Metal Industries Ltd.? What are the prospects for the common?

International Metal Industries Ltd. has two classes of preferred stock outstanding, both carrying a 6% cumulative dividend rate and arrears of dividends of approximately $32 a share. Both classes of preferred are convertible, the "preference" convertible into common at the rate of two common for one preference, and the class A preference convertible at the rate of five shares of preferred for six shares of common. This is the main difference between the two classes of stock. The large amount of arrears of dividend on the two preferred stocks makes it unlikely that the common will be in line for dividend for some time. It is expected that some settlement of the arrears of preferred will be made before the end of this year and at the same time the company is expected to resume payment on preferred. The preferred has some attraction in that it sells below the level of 100 plus arrears. Higher earnings are expected this year than the $7.77 a share earned on the two classes of preferred in 1936.

United Fuel Investments

Have you any indication as to when United Fuel Investments Ltd. is likely to announce a reorganization plan and what progress the company is making?

No announcement has yet been made as to plans for a reorganization of United Fuel Investments Ltd. but some action is expected this fall. A complete annual report for the year ended Mar. 31, 1937, has not yet been issued and it is probable that shareholders will be given further information as to the company's plans when this appears. Net profits for the year ended Mar. 31, 1937, were equivalent to $4.85 a share on preferred against $2.37 a share in the preceding year. A dividend of $3 a share was paid on the preferred on Aug. 16, 1937, leaving arrears at $33.75 a share.

Abitibi vs. Price Bros.

Can you tell me whether or not the treatment which holders of Abitibi Power & Paper Co. common shares are likely to receive in event of reorganization will be as favorable as that received by Price Bros. common?

Actually there will only be one reorganization plan for Abitibi Power & Paper Co. voted on at the bondholders' meeting on Oct. 15, 1937. This is the plan prepared by the bondholders' protective committee which has recently been endorsed by the preferred shareholders' protective committee. Any comparison of the treatment received by common shareholders of Abitibi and with that given to Price Bros. common shareholders is difficult. The final reorganization plan for Price Bros. was sponsored by interests which largely represented shareholders. Price Bros. old common stock received over 75% of the new common on the basis of a share for share distribution where holders of Abitibi common, under the bondholders' reorganization plan, would receive 11.85% of the new without allowing for exercise of purchase warrants. Price Bros. common, however, only had an issue of $6.3 millions of preferred and $11 millions of bonds ranking ahead where Abitibi common is junior to $35.9 millions of preferred and $48.3 millions of bonds.

George Weston

I am interested in the common stock of George Weston Ltd. and would like a report on the prospects.

For the six months ended June 30, 1937, George Weston, Ltd., reported a net profit of $165,572, after all charges, other than income tax, a reduction of $49,955 from the corresponding period of 1936. The company officials state that reduced earnings are due to revenue loss because of strikes in the company's American plant. However, higher costs of materials and manufacturing also played a part, as difficulty was experienced in adjusting retail prices to correspond. It is stated that the labor situation has been straightened out and that progress has been made in adjusting prices. Earnings for 1936 were $1.11 a share on the common, compared with $1.08 in 1935. Dividends of 85 cents a share were paid in 1936. After a period of rapidly increasing earnings, George Weston Ltd. has shown a tendency for earnings to become more stabilized. It is probable that the period of rapid growth in earnings is at an end.

London Canadian

Can you give me a report on the preferred stock of London Canadian Investment Corp. and the dividend prospects?

London Canadian Investment Corp. has made a fair recovery of its financial position and earnings in the past two years, but there is no immediate prospect of dividend on preferred. At present there is an impairment of capital as far as the common is concerned, and until this is cleared off the company cannot pay dividends. In 1936 the company earned $2.09 a share on the preferred, compared with 95 cents a share in 1935. The equity behind each preferred share of London Canadian Investment Corp. has grown substantially, being $111.74 at the end of 1936, compared with $46.03 in 1935, and $18.45 in 1934.

Net assets increased 37.48% in 1936, as compared with 1935. In view of the progress made in the past two or three years, it is quite possible that the company will be able to show a net asset value, which will permit some payment of dividends on preferred. Arrears on this stock, however, amounted to $26.25 a share at the end of 1936. Considerable progress has been made in retiring the company's debentures, which amounted to $3.8 millions at the end of 1936, compared with $6 millions originally issued. Preferred stock outstanding has also been reduced by $500,000, leaving $3.5 millions at Dec. 31, 1936.

Paper Box Firm Sales, Profits Up

Corrugated Paper Box Officials Look For Good Sales This Fall

Higher sales for the first six months of 1937 are reported by Corrugated Paper Box Co. as a result of improved general business conditions. Future buying in anticipation of increased prices during the first half of the year has caused some slackening of current orders but officials regard this as a temporary situation. Good sales volume is expected this fall.

Higher sales have brought substantially greater net earnings for the first six months compared with the corresponding period of last year. Capacity and efficiency of the plant have been increased through the installation of additional corrugating machinery early in 1937.

The new folding carton division, operated by Carton Specialties, Ltd., is operating satisfactorily.

Corrugated Paper Box has shown a steady improvement in earnings each year since 1931 and reported net profits equivalent to $11.60 a share on the preference stock last year with a balance of 71 cents a share for the common. Holders of common stock, however, cannot expect any dividends until all funding certificates, issued in 1936 in payment of preference arrears, have been redeemed.

Share Volume Increases On Montreal Exchange

From Our Own Correspondent

MONTREAL. — Trading activity during the month of August on the Montreal Stock Exchange and Montreal Curb Market showed an increase, both industrial and mines volume recording gains over the previous month. Compared with a year ago, industrial volume was higher while the number of mining shares traded was lower.

Industrial transactions in August totalled 669,353 shares, which compares with 636,762 shares in July and 559,364 shares in August, 1936.

The volume in mines totalled 1,583,847 shares as against 1,035,208 shares in the previous month and 12,185,390 shares in August of last year.

Montreal Light Output Higher

Power Output Increases 8.35% in Eight Months

From Our Own Correspondent

MONTREAL.—Power output of Montreal Light, Heat & Power Consolidated for consumption in the Montreal area during the month of August, excluding secondary and export power, was 90,853,540 kw.h., an increase of 10,496,780 kw.h. or 13.07% over the same month in 1936.

Production for the first eight months of the year totalled 746,957,240 kw.h., an increase of 57,532,770 kw.h. or 8.35% over the corresponding period of last year.

Gas output in August of this year was 378,291,000 cubic feet, a decrease of 29,996,000 cubic feet or 7.35% as compared with August, 1936. For the first eight months production of gas declined 113 million cubic feet to 3,315 million cubic feet.

CANADIAN SECURITIES

Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

ONTARIO

The Ontario Department of Health

Presents a Statement by

The Academy of Medicine, Toronto, on

"INFANTILE PARALYSIS" (POLIOMYELITIS)

Realizing the anxiety which exists in the public mind today with respect to the increased prevalence of Poliomyelitis ("Infantile Paralysis") in Toronto and other parts of the province, the Academy of Medicine of Toronto, which represents more than one thousand physicians, called a special meeting of its Council, September 1st, to review the whole situation. To this meeting were invited representatives from all departments of medicine interested in this subject.

At the conclusion of the conference, during which time all of the pertinent facts of the present situation were presented and discussed, it was felt that, in fairness to the public, an official statement should be made to set forth the facts exactly as they exist. To this end, a committee was appointed to prepare and issue an official statement, which follows:

Poliomyelitis ("Infantile Paralysis") is a communicable disease. It is definitely known that it is caused by the entrance into the body of a minute form of life known as a virus. It is known also that this virus enters commonly through the upper part of the nasal tract. There is no evidence that the disease is conveyed by flies or domestic animals.

When an outbreak of the disease occurs, healthy persons as well as those ill with the disease are found to harbour the virus in the secretions of the nose and throat. The disease is, therefore, spread through the contact of persons one with another.

Usually the virus occasions only a mild illness but sometimes the virus enters the central nervous system, which may result in paralysis. The majority of adults are not susceptible to the disease.

Present Situation

While the number of cases reported in Toronto is greater than in any previous outbreak of this disease, and there is no reason to presume that the incidence rate is likely to decline within the next two or three weeks, it must be borne in mind that not 25% of these cases show any evidence whatever of paralysis. Furthermore, among those developing paralysis, the majority eventually will recover complete use of their paralysed limbs. It would appear, therefore, that while there is every reason for the public to view the present situation with concern, there is no justification for undue alarm or hysterical behaviour.

According to figures computed by the Department of Health, Ontario, to date, there are estimated to be 750 cases in Ontario, of which 285 have occurred in the City of Toronto. Of this number, 212 cases have been admitted to the Riverdale Isolation Hospital, only 54 of whom developed some degree of paralysis. There were 11 deaths in this group. Statistics of a similar nature apply to the Hospital for Sick Children, which has received its cases not only from Toronto but from other parts of the province.

Control Measures

These include the strict isolation of all persons ill with the disease and the quarantine of those who have been in immediate contact.

In as much as it is not known who are or are not carriers of this disease, it is advisable to reduce to a minimum, contact with other people. In other words, keep out of crowds. As children are particularly susceptible, it is most important that they be kept as far as possible from mingling with other persons. For this reason, the opening of the schools of Toronto has been deferred and the Department of Health of the Province of Ontario has recommended to parents that they see to it that their children avoid attendance at theatres, playgrounds, bathing pools and beaches and other places of amusement where children congregate. The Academy agrees with the provincial and municipal health authorities that the responsibility for the control of the activities of children is primarily the duty of the parents.

The Department of Health of Ontario has completed within its own organization plans whereby serum for the treatment of this disease is available in any part of the province upon the request of the attending physician.

Nasal Spray

Experimental work with animals indicates that Poliomyelitis can be prevented by spraying the extreme upper part of the inside of the nose with a harmless solution of zinc sulphate. This was discovered during the past year. To date, its value in the prevention of Poliomyelitis in humans is not known. To be in any degree effective, the spray must be applied high up inside the nose. This can only be done with a specially constructed atomizer and by a physician thoroughly familiar with this type of work. The application of this or any other spray by an ordinary atomizer or to the lower part of the nose is quite useless. The possible value of the nasal spray properly administered is being determined at the present time in Toronto.

The Council of the Academy of Medicine of Toronto endorses the attitude adopted by the provincial Department of Health and the local Board of Health in respect to measures designed to control the present situation. We would respectfully suggest that the general public will best serve its own interests by endeavoring to follow the advice which is being given by these health authorities.

Chas. H. Hair MD

PRESIDENT OF
THE ACADEMY OF MEDICINE
TORONTO

H-1

Construction

Public Works Projects Boost Building Total

Hospitals, Public Buildings, Roads and Streets Explain Unusual Contraseasonal Upturn in Contract Awards for Canada

Analysis of building trends in Canada during August reveals an unusual spectacle of increased activity at a time when construction awards have usually passed their seasonal peak. The gain is due largely to public works and public utilities contracts, rather than to expansion in industrial types of construction.

Engineering contract awards in August, as shown by MacLean Building Reports Ltd. were almost doubled in comparison with the previous month and Aug., 1936. At $3.3 millions, no less than $2.5 millions of that total was recorded in new awards made in Quebec last month. Residential building across Canada showed a slight decline.

Awards for Aug. totalled $24.8 millions against $21.5 millions in July and $15.5 millions in Aug., 1936. The bulk of this total is for hospitals, public buildings, roads, streets and similar public projects. In Ontario the new Ontario Hospital near St. Thomas accounted for a large part of the $1.3 million reported for the month and covered awards in connection with seven hospitals.

Industrial classifications fell to $1.9 milion compared with $3.8 millions in July, but they were still above the corresponding level of 1936.

With contemplated building running far in excess of the total for the first eight months of 1936, the construction outlook in Canada continues decidedly favorable. Significant in this connection was another increase in monthly compilations of contemplated building, reported at $15.2 millions for August compared with $10.8 millions in July.

Construction Contract Awards

	August, 1937		July, 1937		August, 1936	
	No.	$	No.	$	No.	$
Apartments	27	136,800	25	384,500	21	527,700
Residences	1,593	4,574,000	1,784	4,960,900	1,596	4,506,200
Total residential	1,620	4,710,800	1,809	5,345,400	1,617	5,033,900
Churches	27	370,600	39	411,400	29	198,100
Public garages	67	409,100	69	682,900	74	348,700
Hospitals	17	1,562,600	9	431,100	11	93,100
Hotels, clubs	34	225,300	38	295,800	24	94,200
Office bldgs.	40	261,200	50	363,500	23	125,400
Public bldgs.	64	1,385,900	59	397,300	51	578,400
Schools	77	1,055,300	98	1,051,800	59	898,300
Stores	143	756,600	143	504,600	174	780,000
Theatres	13	180,800	20	388,400	18	446,700
Warehouses	60	492,800	65	1,164,400	50	489,700
Total business	542	6,700,200	591	5,691,200	513	4,052,600
Total industrial	96	1,941,200	93	3,842,700	67	1,097,500
Bridges	40	890,300	36	350,500	26	518,300
Dams, wharves	9	296,800	23	908,700	12	307,400
Sewers, watermains	18	382,700	14	141,000	12	412,300
Roads, streets	107	6,600,800	62	3,466,200	95	3,059,400
General engineering	66	3,308,000	44	1,739,600	49	1,054,700
Total engineering	240	11,478,600	179	6,606,000	194	5,352,100
Grand total	2,498	24,830,800	2,679	21,485,300	2,391	15,536,100

Contracts Awarded

	No.	$ Val.
8 months, 1937	8,578	70,370,200
8 months, 1936	6,398	51,231,700
8 months, 1935	5,637	53,605,800
8 months, 1934	5,027	46,542,100

Contemplated New Building

	No.	$ Val.
8 months, 1937	10,887	122,669,800
8 months, 1936	8,180	72,996,600
August, 1937	1,097	15,208,400
July, 1937	1,499	10,876,700

BUILDING PRODUCTS LIMITED

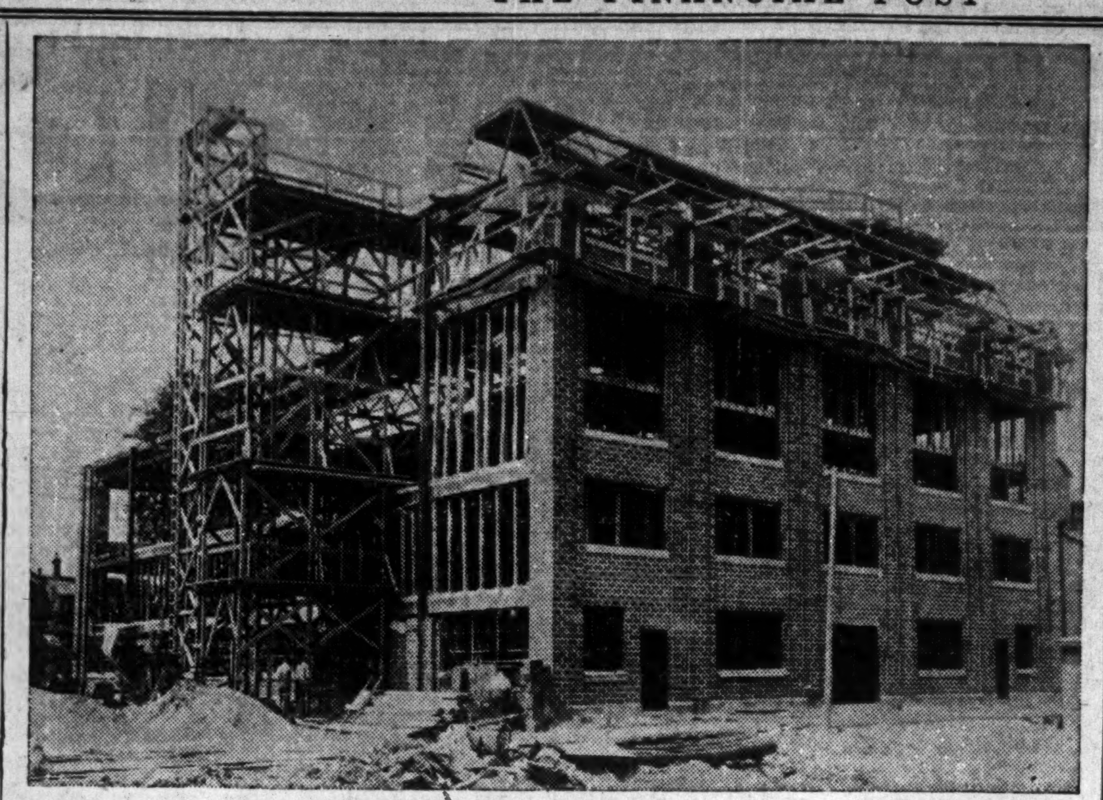
Moisture-proof Insulation with INSUL-BOARD

Layer-Built for Greater Structural Strength for Walls, Ceilings and Roof Insulation

INSUL-BOARD LATH ... for Plaster Walls and Ceilings

BUILDING PRODUCTS LIMITED

MONTREAL — TORONTO — HAMILTON — WINNIPEG — SAINT JOHN — HALIFAX



RADIUM PLANT

Unique among manufacturing plants in Canada the Port Hope, Ont., refinery of Eldorado Gold Mines Ltd. produces radium in minute quantities but for that purpose a new four-story addition to the plant, above, was necessary. A new building to house the steam generating plant is also under construction.

U. S. Residential Building Facing a Critical Period

Final statistics of residential building construction in the U. S. during August are expected to show disappointing results for the third consecutive month, compared with last year. U. S. economists do not anticipate any immediate revival in that field of construction.

Discussing the possibility that rising rentals may become an acute political problem on the eve of an election and cause the Washington administration to plunge into extravagant and panicky housing schemes, the Whaley-Eaton Service analyzes a situation that will be closely watched by housing circles in Canada.

Two disturbing economic phenomena face U. S. Government economists, the Whaley-Eaton Service finds. They are:

1. Sharply rising rents almost universally throughout the U. S.
2. A continued slump in the business of erecting family dwellings.

Seriously worried by the political potentialities of rising rents, the Government, according to the analysis has already tried unsuccessfully to broaden the scope of its housing legislation to include F.H.A. insured mortgage loans for cheap apartments on a large scale. But the failure of that effort, designed to create some $500 millions of new housing in a year, now, it is claimed, leaves the Government without an aggressive housing programme and Government housing experts are currently indulging in a "family row" as to the best method of solving the problem.

Pressure on Capital

Irreconcilable objectives, seen by Whaley-Eaton are:

1. A standing threat of huge Government expenditures for housing "without cost to anybody."
2. In the face of that threat a continuing pressure on private capital to enter the housing field on a limited profit basis.

The result, it is stated, is a politico-economic squeeze from which the Government may attempt escape by a costly, ill-considered and panic-inspired housing programme which ultimately would materially add to existing tax burdens.

New Building

Empress Manufacturing Co., Vancouver; plant modernization and additional equipment, $55,000.

Pacific Mills Ltd., Ocean Falls, B.C.; dock development and warehouse, $200,000.

Modern Foods Ltd., Kelowna, B.C.; dehydrating and vinegar manufacturing plant, new equipment, $25,000.

C. N. R., Vancouver; additional freight shed, $20,000.

Woodward Stores Ltd., Vancouver; store addition, $25,000.

Howard Smith Paper Mills, Windsor Mills, P.Q.; water filtration plant, $100,000.

Rubberset Co., Gravenhurst, Ont.; 10,000 sq. ft. plant addition.

Supertest Petroleum Corp., Montreal; warehouse.

Department of Mines and Resources, Canada, Ottawa; addition to fuel testing laboratory, $20,000; new industrial mineral laboratory, $135,000; new ore dressing building, $75,000.

Acme Towel and Linen Supply Co., Vancouver; plant, factory and offices, $75,000.

Paton Manufacturing Co., Sherbrooke, P.Q.; plant addition, $150,000.

Herbert Hosiery Mills of Canada, Toronto; acquisition of property for remodelling as hosiery manufacturing plant.

Cooey Machine and Arms Co., Cobourg, Ont.; acquisition of plant at Brighton, Ont., for manufacturing purposes.

Canadian Copper Refineries, Montreal; mill work sub-contract let for addition to refinery, $22,000.

National Steel Car Corp., Hamilton; three story office building.

Wabasso Cotton Co., Shawinigan Falls, Quebec; alterations to textile mill.

Canadian Industries Ltd., Cap de la Madeleine, Quebec; consideration being given to a proposed manufacturing plant.

Canadian Liquid Air Co., Montreal; proposed addition to factory, $10,000.

Construction World

Use of the familiar asphalt slate surfaced shingle to simulate brick siding is increasing in Canada. Employed largely in house construction the vari-colored asphalt slate surfaced shingles serve as roof protection against wind, weather and fire, but one of the largest manufacturers of this product is now extending production to asphalt brick siding to meet demands of the house construction and renovation market. Exterior brick effects are obtained at small cost in bright red, buff, tapestry purple and tapestry blend.

Weather side of the new material is surfaced with crushed slate as protection against weather and fire as well as for decorative effect. Mortar joints are black to simulate actual brick work. The new product can be applied over old siding and if properly applied does not curl or warp.

Baie Comeau Power Unit Nearing Completion

From Our Own Correspondent

MONTREAL.—The first unit of the power plant being built at Outardes Falls in connection with the Ontario Paper Co.'s newsprint development at Baie Comeau, Que., is nearing completion and is expected to be in operation about Oct. 1. The unit has a capacity of 35,000 h.p.

At the present time, according to A. A. Schmon, president and general manager of the Ontario Paper Co., construction is ahead of schedule. The second unit of 35,000 h.p. capacity will probably be in operation a month after the first unit is started, that is, around Nov. 1. This will complete the power section of the development and permit activities to be concentrated on the newsprint mill which is scheduled to be completed early next year.

New Standardization Move Seen in U. S. Home Building

A new type of standardized house building is emerging from the wreckage of the pre-fabricated home scheme, according to an article published recently in The Financial World.

What is described as semi-prefabrication is the result of manufacturing standardization in the United States of steel, lumber, window frames, insulating board, acoustic and light reflecting materials and other materials used in construction of homes.

Because it is cheaper to produce steel, lumber, tiles, fittings, hardware and other essential parts of a house in standard sizes—and because replacements can also be made by the home owner to corresponding advantage, in the same way that automobile parts are replaced, building supply makers in U.S. are devoting more attention to standardizing materials to measurements suitable, for example, to the requirements of a six-roomed house.

Advantages seen by The Financial World are that the ordinary amount of local labor is needed for erection of such a dwelling; materials, excepting those cut to a standard size are also purchased locally, and "semi-prefabrication" allows an unlimited variation of layout, floor and room plans, decoration and exterior finish.

Conservative home buyers, averse to the ultra-modern or to the "factory-built" home identical with all others from the same factory, gain the benefit of low cost prefabrication of basic construction materials, hardware, window frames and other component parts but retain their freedom of choice in color, design, exterior appearance and mechanical equipment.

Four Types of Framework

Four main types of framework materials have been standardized:

1. Light weight rolled structural steel sections, typical of which is one known by the trade name of "junior beams."
2. Rolled and welded strip steel girders, joists, studs and rafters.
3. Tubular steel framing.
4. Structural sections consisting of a composition core covered with metal, of which so-called "metal lumber" is the best example.

That choice is only one of a long list of optional materials in almost every section of the "semi-prefabricated house."

Floor materials are the other main group for which the new type of house construction is expected to provide a market. Prefabricated blocks of gypsum or other similar material can be used for sub-flooring in connection with any type of framework noted. It can also be adapted to wall sections. Ceilings, insulation board, panelling and other materials, cut to standard measurements similarly adapt themselves to semi-prefabricated use.

Main floor members of the new type homes are set into a concrete foundation, or bolted to the latter as the base on which construction proceeds. The sections are either punched in the steel plant or fitted with nailing strips to which the wood floor members are attached.

CHEMISTRY and the Coal Trade

Coal analyses, fusion temperatures of coal ash, analyses of ashes, investigation of clinkering troubles — these are best done by a laboratory that is thoroughly experienced in such work. Our laboratories handle hundreds of such analyses annually. We have had a broad general experience in coal work that is unmatched by any other Canadian laboratory.

MILTON HERSEY CO., LIMITED
Industrial Chemists and Engineers
MONTREAL WINNIPEG

A Rapid Efficient Service

To provide rapid and efficient service in G. L. A. Products to the architect, builder and home-owner, the offices of this Company are conveniently located as follows:

Gypsum, Lime and Alabastine, Canada, Limited
Head Office: Paris, Ontario, Canada
Vancouver Calgary Winnipeg Toronto Montreal

Industry and Humanity

It is significant that those firms which enjoy the most harmonious industrial relations have been pioneers in promoting the Co-Operative Welfare of their employees. Many years ago they learned that their employees were anxious to co-operate to provide financial help for dependents in the event of death. Out of this co-operative desire arose Group Life Insurance.

Having experienced the benefits of Group Life Insurance, it followed logically that employers and employees should seek to provide for the hazards of accident, sickness and hospital expenses. Consequently, Group Insurance Plans were extended to cover these contingencies. The most recent development of the Group Insurance idea is to provide retirement income for employees when they become too old to work.

Employees have shown themselves not only anxious to secure each successive measure of protection, but have been willing to co-operate with their employers in sharing the cost. As a result, with the experienced assistance of Life Insurance Companies, many very fine co-operative plans have been put in operation.

The Confederation Life Association has for many years been devising Group Insurance plans for corporate and private employers and their employees. In addition to numerous Group Life and Sickness and Accident Policies, the Association has co-operated in the setting up of many retirement plans and is now entrusted with the privilege of administering pensions for more than $2,000,000 per year.

The services of the Association are available for advice and consultation.

Confederation Life Association
Head Office Toronto

Urban Areas Borrow Less Under H.I.P.

Decline From June Totals Is Regarded As Seasonal

A decrease in the volume of Home Improvement Loans made in cities and towns of Canada during July is revealed in official figures showing loans in that month at $857,517 in urban areas, compared with nearly $1.2 million in June. The decrease from the June total is regarded as seasonal and in line with normal trends in the field of home modernization and repair.

Addition of July loan totals brings the cumulative total of loans made in cities and towns to $5.7 millions up to the end of July, covering 14,340 loans compared with 12,189 loans amounting to $4.8 millions at the end of June.

The totals are not those of all loans made under the H.I.P., the latter announced officially on Aug. 24 at 21,467 loans amounting to $8.2 millions to Aug. 28. Detailed figures of loans in cities and towns, to July 31, are as follows:

	Loans	Value $
Ontario		
Hamilton	376	102,214
London	307	100,255
Ottawa	354	166,409
Toronto	1,949	703,963
Windsor	287	102,178
Brantford	80	24,464
Fort William	74	34,728
Guelph	81	35,105
Kingston	70	26,080
Kitchener	142	61,773
Oshawa	214	50,060
Peterborough	142	42,839
St. Catharines	127	48,929
Sault Ste. Marie	65	28,567
Belleville	59	21,180
Chatham	58	19,257
Cornwall	43	15,738
Galt	72	20,041
Niagara Falls	102	40,585
North Bay	94	28,425
Owen Sound	44	13,054
Port Arthur	73	29,085
St. Thomas	96	42,816
Sarnia	128	37,006
Stratford	70	16,141
Sudbury	142	85,681
Timmins	180	132,730
Welland	61	20,283
Woodstock	77	29,095
Barrie	38	14,477
Fort Erie	28	11,260
Fort Frances	62	21,255
Ingersoll	58	21,348
Kenora	32	11,277
Kirkland Lake	159	112,231
Lindsay	40	15,519
Midland	19	4,339
New Toronto	77	34,095
Orillia	26	4,775
Pembroke	27	6,009
Simcoe	64	38,094
Smiths Falls	18	7,055
Thorold	17	6,820
Trenton	31	8,741
Waterloo	18	7,002
Quebec		
Quebec	163	100,945
Montreal	1,147	576,941
Verdun	64	-24,255
Hull	23	13,301
Outremont	23	18,25
Sherbrooke	82	33,945
Three Rivers	53	27,34
Westmount	45	30,108
Granby	21	10,04
Lachine	33	18,31
Levis	28	13,25
St. Hyacinthe	42	29,21
St. Jean	73	40,56
Shawinigan Falls	53	25,79
Sorel	19	9,445
Drummondville	38	14,09
Grand'Mere	20	13,975
Jonquierre	50	23,398
La Tuque	32	13,598
Magog	67	24,70
Rimouski	14	8,30
St. Jerome	23	11,204
St. Lambert	49	22,140
Victoriaville	50	17,551
British Columbia		
Vancouver	883	270,371
Victoria	137	54,348
New Westminster	182	50,60
Kamloops	24	5,90
Nanaimo	29	11,933
Nelson	79	38,45
North Vancouver	36	8,060
Prince Rupert	6	1,82
Trail	132	47,162
Nova Scotia		
Halifax	230	86,92
Glace Bay	141	56,012
Sydney	172	66,730
Amherst	43	11,908
Dartmouth	20	4,231
New Glasgow	53	14,815
New Waterford	231	80,770
North Sydney	47	12,967
Springhill	3	1,100
Stellarton	13	3,351
Sydney Mines	57	11,397
Truro	61	22,993
Yarmouth	21	4,981
New Brunswick		
Saint John	258	115,737
Moncton	142	52,837
Fredericton	61	19,668
Campbellton	61	16,722
Edmundston	24	8,800
Manitoba		
Winnipeg	814	301,047
Brandon	42	12,260
St. Boniface	47	30,891
Flin Flon	91	45,369
Transcona	36	9,743
Saskatchewan		
Regina	103	35,922
Saskatoon	76	23,811
Moose Jaw	83	33,624
Prince Albert	67	17,780
Swift Current	22	9,118
Alberta		
Calgary	376	152,131
Edmonton	434	213,948
Lethbridge	44	25,460
Medicine Hat	22	8,370
Prince Edward Island		
Charlottetown	109	37,165

"Gee Dad... I just gotta have a clubroom!"

There's waste space in your Basement for a "Rumpus Room." Dusty, forgotten nooks in many homes can be transformed into lovely, useful recreation or work rooms with the aid of Donnacona Insulating Board. The cost is low and the increased livability and comfort of your home will be immeasurable.

Consult your Donnacona Dealer or write us for details and suggestions for Home Improvements under the new Government Plan.

A Donnacona basement room measuring 12' x 18' with a 6'6" ceiling can be installed complete for as little as $60.00.

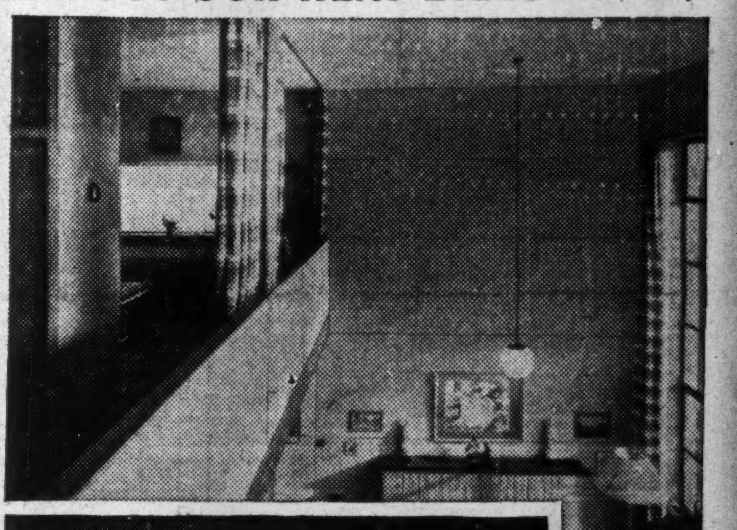
Alexander MURRAY & Company Limited
Montreal • Toronto • Halifax • Saint John • Winnipeg • Vancouver

DONNACONA INSULATING PRODUCTS

THE STAMP OF Quality!
THORP-HAMBROCK CO. LIMITED
VARNISH PRODUCTS
MONTREAL CANADA
TESTED DURABILITY

THORP-HAMBROCK CO. LIMITED
MAKERS OF
PAINTS, VARNISHES, LACQUERS & ENAMELS
MONTREAL CANADA

WE CUT OUR HEAT BILLS BY 28%



". . . and achieved beauty, too. These marvellous modern effects are a tribute to the decorative qualities of TEN/TEST."

". . . and TEN/TEST Insulating Board has meant a great saving in fuel costs to us. It's permanent, rigid insulation."

A TEN/TEST home is economical. Fuel costs are lower, often up to 30%—and TEN/TEST's other advantages — beauty . . . comfort . . . permanence — make TEN/TEST insulation a worthwhile investment. It is so strong . . . so rigid . . . so permanent. It stays in position . . . doesn't sag or slump . . . won't settle around door or window frames or leave empty spaces like some forms of insulation. It's *rigid* board insulation—that's why.

And TEN/TEST *really* insulates. Heat, cold, drafts cannot penetrate. A TEN/TEST home is warmer in winter and cooler in summer. And you'll be surprised at the beauty TEN/TEST can add to your home. It will convert empty, unsightly spaces into cheery, useful rooms—dreary attics into cosy extra bedrooms or studies . . . untidy basements into comfortable playrooms, lounges or hobby shops.

Avoid building mistakes . . . check up on the advantages of TEN/TEST . . . study its economy . . . its permanence . . . its beauty. Consult your lumber dealer . . . and if you plan remodelling, remember the Home Improvement Plan makes it easy for you to finance. You will find many useful and instructive ideas about building, remodelling and renovating in the TEN/TEST Book. Write for a copy—it's FREE.

INTERNATIONAL FIBRE BOARD LIMITED
OTTAWA . . . ONTARIO

TEN/TEST
THE *Lifetime* INSULATING BOARD

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING SEPTEMBER 6

Mining Stock Quotations

WEEK ENDING SEPTEMBER 6

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 30 (or last)	High for week	Low for week	Close Sept. 6
1	.10½	.03	Afton	1,200	.03½	.03½	.03	.03½
No	1.90	.73	Aldermac	29,665	1.15	1.11	1.00	1.09
1	.04½	.01	Alexandria	500	.02	.02	.02	.02
1	.26	.20	Amm. Gold	3,200	.....	.26	.20	.26
No	8.75	4.50	Anglo-Huronian	2,103	5.65	5.60	5.25	5.25
1	1.42	.36	Argosy	3,013	.42	.44	.38	.44
1	1.42	.26	Arntfield	2,300	.35	.31	.30	.30
No	.09	.02½	Arno	500	.03	.03½	.03½	.03½
1	.15	.07½	Ashley	4,300	.08	.08½	.07½	.08
1	.27	.06	Astoria Rouyn	11,800	.08½	.08½	.08	.08
50c.	.18	.07	Aztec	500	.09	.10	.10	.10
1	.49	.16	Bagamac	6,650	.31	.31	.30½	.30½
1	1.85	.64	Bankfield	23,050	.72	.72	.65	.70
1	.65	.24	Base Metals	4,900	.27	.28	.27	.28
No	1.75	1.00	Beattie Gold	1,100	1.15	1.20	1.15	1.20
1	.65	.20	Beaufor	7,500	.30	.30	.28	.28
1	1.70	.38	Bidgood Kirk.	37,970	.64	.66	.55½	.60
1	.72	.40	Big Missouri	13,900	.52	.51	.48	.48
1	.29	.12	Bobjo	5,300	.15	.15	.14	.14
1	1.14	.19	Bouscadillac G.M.	1,200	.24	.25	.22	.23
No	9.00	6.40	Bralorne	571	7.75	7.85	7.65	7.85
1	.15	.06	Brazil Gold	....	(.06 bid	.08 asked)		
1	.21	.05	Brett Trethewey	2,500	.08	.09	.08½	.09
1	.13	.03	Brownlee	500	.04	.04½	.04½	.04½
1	12.50	8.25	Buffalo Ankerite	960	10.50	11.00	10.25	10.37
No	.06½	.02	Buffalo Can.	3,500	.03	.02½	.02½	.02½
5	30.00	23.50	Bulolo Gold	85	24.50	24.75	24.00	24.50
No	.23	.10	Bunker Hill	13,800	.13	.14	.12½	.13
No	2.30	.87	Can. Malartic	13,550	1.23	1.27	1.20	1.25
1	1.75	1.41	Cariboo Gold	346	1.65	1.65	1.65	1.65
1	.47½	.14	Cartier Malartic	2,150	.20	.18	.18	.18
1	1.66	.90	Castle Trethewey	1,025	.95	.98	.90	.95
1	.65	.25	Cent. Cadillac	800	.39	.37	.35	.37
1	.31	.05	Cen. Manitoba	1,300	.05½	.05½	.05	.05½
1	5.25	2.00	Cen. Patricia	4,615	2.65	2.70	2.00	2.66
1	.43	.09	Cen. Porcupine	4,200	.13	.13	.13	.13
No	1.47	.60	Chromium	3,025	.77	.85	.75	.76
5	10.00	3.00	Coast Copper	200	4.80	4.55	4.50	4.50
1	.03½	.01	Cobalt Contact	1,000	.01½	.01½	.01½	.01½
5	3.50	2.00	Coniagas	100	2.45	2.45	2.45	2.45
No	2.14	1.00	Coniaurum	1,950	1.35	1.35	1.25	1.25
1	2.70	.40	Con. Chibougamau	29,035	.47	.48	.44	.45
25	100.50	72.00	Cons. Smelters	2,326	82.00	82.00	78.00	79.00
1	2.98	.31	Darkwater	7,500	.50	.55	.45	.55
No	51.12	38.25	Dome Mines	1,618	40.25	40.25	39.75	39.87
1	.15	.04	Dom. Explorers	5,000	.06½	.06½	.06	.06½
1	1.22	.38	Dorval Siscoe	4,000	.48	.49	.45	.45
1	.15	.05½	Duparquet	5,700	.09	.09	.08½	.08½
1	2.05	.65	East Malartic	11,175	1.14	1.15	1.02	1.06
1	3.65	2.10	Eldorado	6,959	2.78	2.80	2.50	2.60
No	12.87	7.00	Falconbridge	1,305	7.50	7.50	7.30	7.50
1	.54	.07	Federal	14,150	.08½	.09½	.08	.08½
No	1.59	.50	Francoeur Gold	10,700	.67	.70	.65	.66
1	.30	.03½	Glenora	5,500	.04½	.05	.04	.05
1	.65	.28	Gillies Lake	30,850	.36½	.36½	.31	.33
No	1.02	.40	God's Lake	5,797	.61	.62	.59	.62
1	.30	.06	Golconda	....	(.07½ bid	.10 asked)		
1	.49	.18	Goldale	2,500	.22	.25	.22½	.22½
50c.	.39	.12	Gold Belt	....	(.27 bid	.32 asked)		
1	.68	.30	Gold Eagle	9,500	.38	.40	.35	.36
1	.22	.07½	Goodfish	94,700	.12	.14½	.12½	.13
1	.63	.09	Graham Bosquet	1,300	.12	.13	.12	.12
1	.67	.15	Granada Gold	14,400	.16	.17	.15	.17
No	.18	.06½	Grandora	6,000	.06½	.07½	.07	.07
1	.18½	.10	Grull Wihksne	....	(.10 July 20)			
1	1.25	.55	Gunnar Gold	9,630	.88	.88	.80	.80
1	.07	.02	Halcrow Swayze	4,900	.03	.03	.02½	.03
1	3.44	1.00	Hard Rock	2,065	1.30	1.35	1.26	1.26
1	.35	.12½	Harker	15,700	.16½	.16	.15	.15½
5	15.50	10.75	Hollinger	2,450	12.00	12.00	11.63	12.00
1	.72	.30	Howey Gold	8,660	.35	.36	.35	.35
No	41.75	25.63	Hudson Bay	2,118	31.00	31.50	29.00	30.00
1	19.25	11.00	Inter. Mining	....	(11.00 Aug. 26)			
No	73.25	54.00	Int. Nickel	12,513	62.25	62.50	59.00	60.25
1	.54	.25	Jacola	26,819	.44	.45	.41	.43
1	1.61	.50	Jackwaite	2,900	.71	.70	.70	.70
1	2.15	.70	Jellicoe	12,220	1.12	1.12	1.03	1.06
1	.59	.17	J. M. Cons. Gold	19,800	.30	.30	.26	.28
1	3.30	1.99	Kerr Addison	15,652	2.35	2.38	2.25	2.30
1	.65	.35	Kerr Lake	....	(.36 bid	.50 asked)		
1	.55	.20	Kirk Gold Rand	200	.25	.30	.30	.30
1	2.65	1.35	Kirk. Hud. Bay	150	1.50	1.50	1.50	1.50
1	1.70	.90	Kirkland Lake	25,660	1.32	1.34	1.21	1.25
1	.55	.19	Kirk. Townsite	1,700	.23	.23½	.22	.22
1	1.10	.40	Laguna	2,200	.60	.57	.47	.50
1	59.50	46.50	Lake Shore	3,784	51.00	50.25	49.75	50.00
1	.28	.04	Lamaque Contact	6,400	.04¾	.04¾	.04¾	.04¾
1	1.33	.55	Lapa Cadillac	1,300	.70	.70	.65	.65
1	1.30	.73	Lava Cap	11,950	1.21	1.25	1.15	1.19
1	.30	.11½	Lebel Oro	8,567	.18½	.18½	.17	.17½
1	.07½	.02½	Lee Gold	1,600	.02¾	.02¾	.02½	.02½
1	1.35	.45	Leitch Gold	2,850	.64	.65	.60	.64
No	8.40	4.85	Little Long Lac	2,175	5.50	5.40	5.00	5.10
1	8.60	4.15	Macassa	4,851	5.70	5.60	5.35	5.50
1	1.26	.55	Madsen Red Lake	6,300	.70	.73	.60	.73
1	.04¾	.01½	Malrobic	6,000	.02	.02½	.02	.02
No	.69	.20	Mandy	2,400	.35	.27	.26	.26
No	.16	.02	Man. & Eastern	8,500	.03½	.03½	.03½	.03½
1	.36	.11	Maralgo	6,100	.15	.15½	.14	.14
5	42.25	32.75	McIntyre	1,325	35.00	35.25	34.00	35.25
1	2.03	1.00	McKenzie R.L.	6,600	1.31	1.32	1.25	1.32
1	.65	.40	McKinley	64	.40	.45	.45	.45
No	4.85	1.65	McLeod Cockshutt	3,490	1.92	1.85	1.75	1.85
No	1.21	.35	McWatters	9,700	.48	.48	.41½	.45
1	.57	.17	McVittie	4,600	.26	.26½	.25	.25½
No	5.00	2.70	Mining Corp.	6,375	3.40	3.45	3.10	3.15
No	.33½	.08	Minto Mines	3,500	.10	.11	.09½	.09½
1	.08	.02	Moffatt Hall	3,000	.03	.02½	.02½	.02½
1	.88	.20	Morris Kirk	16,600	.26	.29	.25½	.29
1	1.97	.95	Moneta	12,270	1.75	1.80	1.64	1.71
1	.45	.10	Montague	100	.10	.10	.10	.10
[illegible]	[illegible]	[illegible]	Naybob	[illegible]	[illegible]	[illegible]	[illegible]	.04
[illegible]	[illegible]	[illegible]	Newbec	[illegible]	[illegible]	[illegible]	[illegible]	.35
[illegible]	[illegible]	[illegible]	New Golden Rose	[illegible]	[illegible]	[illegible]	[illegible]	.04½
[illegible]	[illegible]	[illegible]	Night Hawk Penn	[illegible]	[illegible]	[illegible]	[illegible]	.50
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	.02
[illegible]	[illegible]	[illegible]	Nipissing	[illegible]	[illegible]	[illegible]	[illegible]	2.45
[illegible]	[illegible]	[illegible]	Noranda	[illegible]	[illegible]	[illegible]	[illegible]	60.38
[illegible]	[illegible]	[illegible]	Nor. Canada	[illegible]	[illegible]	[illegible]	[illegible]	.68
[illegible]	[illegible]	[illegible]	Norgold	[illegible]	[illegible]	[illegible]	[illegible]	.04
[illegible]	[illegible]	[illegible]	Normetal Mining	[illegible]	[illegible]	[illegible]	[illegible]	1.60
[illegible]	[illegible]	[illegible]	O'Brien	[illegible]	[illegible]	[illegible]	[illegible]	5.10
[illegible]	[illegible]	[illegible]	Omega	[illegible]	[illegible]	[illegible]	[illegible]	.60
[illegible]	[illegible]	[illegible]	Oro Plata	[illegible]	[illegible]	[illegible]	[illegible]	1.70

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 30 (or last)	High for week	Low for week	Close Sept. 6
1	.30	.10	Osisko	....	(.... bid	.20 asked)		
No	4.05	1.90	Pamour	8,165	2.75	2.75	2.60	2.70
1	1.10	.30	Pandora	4,100	.50	.50	.48	.48
1	.42	.15	Parkhill	5,000	.17	.19	.17	.17½
1	3.30	1.90	Pato Cons G.	300	2.15	2.20	2.20	2.20
1	.41	.11	Partanen Gold	7,700	.16½	.16½	.13	.13
1	.06	.01¾	Pawnee Kirk.	500	.02½	.02½	.02½	.02½
1	.46	.12	Paulore	3,900	.16½	.17	.16	.16
1	1.33	.49	Paymaster	23,555	.57	.58	.54	.55
1	.35	.22	Payore	13,100	.28	.28	.26	.27
1	6.60	2.55	Pend Oreille	9,111	4.45	4.45	3.85	4.00
1	2.51	.70	Perron Gold	3,655	1.02	1.05	.95	.95
1	.08½	.01	Peterson Cobalt	1,000	.01½	.01½	.01½	.01½
1	9.20	4.90	Pickle Crow	7,175	5.60	5.70	5.40	5.55
1	6.85	3.60	Pioneer Gold B.C.	860	4.20	4.05	3.90	3.95
1	17.50	15.00	Placer Development	110	17.00	16.50	16.00	16.00
1	.11	.02½	Porcupine Crown	2,800	.03½	.04	.02½	.02½
1	2.20	.75	Powell Rouyn	15,300	1.45	1.46	1.32	1.40
1	4.00	1.95	Premier Gold	3,765	2.11	2.25	2.15	2.24
1	1.47	.55	Preston E. Dome	22,900	1.17	1.18	1.05	1.10
No	1.75	1.10	Prospectors Air's.	100	1.50	1.60	1.60	1.60
1	.88	.30	Quebec Gold	....	(.40 bid	.55 asked)		
No	.48	.07	Quemont	210	.12	.08	.07	.08
1	6.85	2.80	Read Authier	1,325	3.75	3.60	3.40	3.50
1	1.78	.29	Red Lake	27,825	.33½	.35	.32	.34
1	2.00	.40	Red Crest	3,400	.45	.45	.40	.45
1	.35	.72	Reno Gold	5,950	.86	.90	.86	.86
1	1.52	.70	Reeves McDonald	900	.90	.80	.80	.80
1	.22	.06	Reward	6,400	.08½	.08½	.08	.08
1	.16	.04	Ritchie	5,500	.04	.04½	.04	.04
1	.12½	.02½	Robb Montbray	4,000	.03	.02½	.02½	.02½
1	.48½	.09	Roche Long Lac	8,500	.15	.15	.13	.13
1	2.40	1.25	San Antonio	3,575	1.55	1.55	1.45	1.45
1	1.13	.35	Shawkey	16,000	.60	.57	.52	.55
50c.	.92	.57	Sheep Creek	2,100	.92	.92	.92	.92
1	4.00	1.80	Sherritt Gordon	28,977	2.74	2.76	2.45	2.59
1	6.65	3.05	Siscoe	4,670	3.75	3.75	3.60	3.75
1	2.50	.76	Sladen Malartic	25,155	1.08	1.11	1.00	1.13
1	2.50	.45	Slave Lake	700	.50	.46	.45	.46
No	2.90	.90	Stadacona	47,560	1.25	1.26	1.15	1.18
1	.32	.12	St. Anthony	10,800	.18	.18	.16½	.16½
No	6.90	3.00	Sudbury Basin	1,925	4.50	4.35	4.00	4.15
1	.40½	.15	Sudbury Contact	5,600	.18½	.18	.17	.17½
1	2.25	1.00	Sullivan Cons.	10,247	1.34	1.38	1.30	1.35
1	4.80	2.70	Sylvanite	4,235	3.10	3.20	3.00	3.20
1	.29	.06	Tashota	8,300	.06½	.07	.06½	.07
1	6.10	4.55	Teck Hughes	6,575	5.30	5.35	5.20	5.20
1	2.15	.47	Thomp Cadillac	21,235	.50½	.50½	.47	.49
1	.65	.20	Timiskaming	19,050	.38	.36	.33½	.36
1	4.60	1.85	Toburn Gold	500	2.35	2.40	2.25	2.30
1	2.00	.73	Towagmac	4,100	1.07	1.10	1.02	1.07
1	2.60	.40	Treadwel	....	(.35 bid	.85 asked)		
1	1.10	.50	Uchi Gold	2,475	1.00	.95	.91	.91
No	9.10	6.00	Ventures	516	7.90	7.90	7.65	7.80
No	4.65	2.10	Waite Amulet	9,840	3.60	3.60	3.10	3.15
No	.05	.01¾	White Eagle	1,000	.01¾	.01¾	.01¾	.01¾
1	.30	.10	Whitewater	2,900	.14	.14	.14	.14
1	.17	.03½	Wiltsey Coughlan	100	.04	.04	.04	.04
1	.77	.30	Wood Cadillac	10,600	.34	.34	.32½	.33
No	8.20	5.85	Wright-Hargreaves	7,840	6.65	6.90	6.55	6.90
No	.53	.24	Ymir Girl	1,600	.27	.25½	.25	.25

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 30 (or last)	High for week	Low for week	Close Sept. 6
No	.22	.10	Acme Gas and Oil	6,800	.14	.14	.12	.12
1	.95	.29	Alta. Pac. Cons.	300	.32	.32	.30	.30
1	.57	.25	Ajax	2,100	.30	.26	.25	.25
1	1.10	.20	Br. Dominion	500	.23	.23	.22	.22
No	.65	.37	Brown Oil	7,000	.42	.43	.40	.40
No	6.55	2.00	Calgary and Ed.	8,345	2.50	2.50	2.29	2.40
1	1.75	.40	Calmont	7,835	.52	.52	.45	.50
No	.95	.24	Common Pete	500	.35	.30	.30	.30
No	3.60	.55	Dalhousie	5,200	.75	.78	.67	.67
No	.40	.33	Davies Pete.	12,700	.37	.39	.38	.39
No	.75	.10	Eastcrest	2,700	.13	.14	.12½	.14
25c	.25½	.18	Firestone Pete.		(.15½ Bid	.20 Asked)		
No	3.25	.90	Foothills	2,065	1.01	1.01	.98	.98
No	1.20	.20½	Foundation Pete	3,900	.26	.28	.25	.26
No	.36	.15	Hargal	100	.23	.15	.15	.15
No	.90	.15	High Sarcee	2,600	.18	.19	.18	.19
No	4.10	1.35	Home	10,835	1.80	1.87	1.70	1.70
1	.87	.31	Homestead O. & G.	7,750	.52	.52	.45	.49
No	.70	.35	Hunter Valley		(.15 Bid	.25 Asked)		
No	.16	.05	Do. Warrants		(.05 Aug 20.)			
No	.90	.20	Lowery		(....Bid	.25 Asked)		
No	.63	.25	Mercury	1,050	.31	.30	.30	.30
No	.44	.18	McD. Segur Ex.	200	.23	.22	.22	.22
No	.39	.09	Merland	3,000	.10	.10	.09	.09
1	1.15	.38	Model	300	.53	.53	.52	.52
25c.	.56	.32	Monarch Royal	10,000	.35½	.36½	.32	.35
5	.49	.15	Nordon	6,120	.22½	.22	.20	.22
No	.12	.04	Oil selections	8,000	.04½	.04½	.04½	.04½
No	4.10	1.05	Okalta	6,225	1.60	1.60	1.45	1.60
No	.12	.03	Olga Gas & Oil	1,200	.03½	.03½	.03½	.01½
1	.43½	.10	Pacalta	87,935	.20½	.21	.16	.20½
1	.70	.60	Petrol Oil & Gas	100	.60	.60	.60	.60
25c.	.30	.20	Prairie Royalties	2,000	.24	.20	.20	.20
No	60.00	34.50	Royalite	1,221	39.75	41.00	38.00	39.50
No	2.00	.40	South West Pete.		(.. Bid	.60 Asked)		
No	.19	.15	South End	5,000	.15	.15	.15	.15
1	.63	.22	Spooner Oil		(.22 Aug 23)			
No	2.35	1.50	Texas Can	4,200	1.73	1.72	1.61	1.61
No	.70	.17	United Oil	2,820	.20	.20½	.18	.20
No	2.25	1.00	Vulcan	200	1.50	1.45	1.41	1.41
No	.36½	.25	Westflank	[illegible],000	......	.36½	.35	.35

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 30 (or last)	High for week	Low for week	Close Sept. 6
50c.	.15	.08	Aztec	700	.08½	.09½	.08½	.08½
20c.	.04	.01	Beaver Silver		(.01½ Bid	.02 Asked)		
1	.70	.42	Big Missouri	2,500	.51	.51	.48	.49½
25c.	.07½	.01½	Bluebird	1,000	.02	.01¾	.01¾	.01¾
No	9.00	6.10	Bralorne	2,190	7.90	7.90	7.60	7.65
1	.07½	.02	Bridge River Cons	1,000	.02½	.03	.03	.03
50c.	.19	.05	B. R. Mountain Gold		(.05 Aug. 12.)			
1	.40	.15	B. C. Nickel	5,500	.16½	.16	.15	.16
1	3.85	1.75	B. C. Silver	525	2.00	2.00	1.95	1.95
50c.	.04½	.02	Canadian Rand		(.02 July 20)			
1	1.79	1.43	Cariboo Gold	535	1.60	1.60	1.60	1.60
1	.14	.02½	Congress Gold	7,000	.04	.03½	.03	.03
25c.	.05	.01	Cork Province		(.01½ Bid	.01½ Asked)		
No	.28	.13	Dentonia	15,200	.19	.16½	.14	.14½
1	.05	.03	Dunwell		(.02½ Bid	.02½ Asked)		
No	.18	.06	Fairview Amal.	1,375	.07	.07	.06½	.07
1	.06¾	.02	Federal Gold	3,500	.02½	.02½	.02½	.02½
1	1.43	.38	George Copper		(.50 Aug. 27)			
50c.	.06½	.02½	George Enterprise		(..Bid	.03½ Asked)		
1	.05	.01½	Georgia River	6,000	.01½	.01½	.01½	.01½
1	.29	.05	Golconda	2,600	.08	.07½	.07	.07½
50c.	.37	.11½	Gold Belt	4,000	.28	.29½	.28	.29½
50c.	.43	.02	Gold Mountain	6,000	.02½	.03	.03	.03
50c	.30	.11½	Grandview	11,100	.20	.19	.17	.19
1	.18½	.07	Grull Wihksne	1,000	.08½	.08½	.08½	.08½
No	.05	.00½	Haida Gold		.01	June	.28	....
No	.13	.02	Hedley Sterling		(Bid	.02 Asked)		
No	.04½	.01½	Home Gold	8,000	.02½	.02½	.02½	.02½
1	.08	.02	Indian Mines	1,000	.02	.02	.02	.02
50c	1.18	.55	Island Mountain	11,300	.65	.70	.65	.70
1	.24	.21	Inter'l Coal		(.21	Bid	.25	Asked)
1	.06½	.03	Inter'l Gold		(Bid	.02½ Asked)		
50c	1.15	.71	Kootenay Belle	3,350	1.03	1.07	1.05	1.05
20c	.07	.01½	Koot. Florence	2,500	.02½	.02½	.02½	.02½
1	.03½	.00¾	Lakeview	2,000	.01½	.01½	.01½	.01½
10c	.19½	.04½	Lucky Jim	11,500	.07	.07	.06	.06½
No	.07½	.02	Mak Siccar		(.02½ Aug.	16.)		
1	.19½	.18	McGillivray Creek		(.19½ Bid	Asked)		
50c	.06½	.01	Meridian Min.		(.01½ Bid	Asked)		
25c	.17	.03½	Metaline		.02½	July	13th.	
No	.38	.08½	Minto Mines	47,850	.10½	.10	.09½	.10
50c	.15½	.04	Nicola	4,500	.05	.05½	.05	.05½
50c	.17	.05	Noble Five.	21,300	.06½	.06½	.06	.06
1	6.75	2.55	Pend Oreille	1,060	4.40	4.20	4.05	4.20
No	.07½	.02½	Pilot Gold	9,000	.02½	.03	.03	.03
1	6.75	3.70	Pioneer Gold	270	4.00	3.90	3.90	3.90
50c	.15	.04½	Porter Idaho	2,000	.05	.05	.05	.05
No	.06½	.01½	Premier Border	16,600	.02½	.02	.02	.02
1	4.80	1.95	Premier Gold	4,300	2.18	2.25	2.20	2.23
1	.15	.03	Quatsino Copper	4,500	.04½	.05	.04½	.04½
25c	.17	.07	Quesnelle Quartz	1,500	.09	.09	.08½	.09
1c.	.05½	.01½	Reliance	7,500	.02½	.02½	.02	.02
1	.37	.12	Relief Arlingtom	1,000	.22½	.20	.20	.20
No	1.90	.63	Reeves McDonald	1,450	.87	.84	.75	.75
1	1.31	.75	Reno Gold	2,650	.86	.88	.85	.85
1	.20½	.06	Reward Mining	12,700	.08½	.08½	.08½	.08½
1	.09½	.02½	Rufus Argenta	3,500	.03	.02½	.02½	.02½
1	.11½	.02½	Ruth Hope		(.03 Bid	.04	Asked)	
1	.12	.04	Sally Mines	2,000	.06	.06	.06	.06
50c.	.15	.07½	Salmon Gold	1,500	.08½	.08½	.08	.08
50c.	.95	.58	Sheep Creek	4,500	.93	.92	.90	.90
1	3.20	2.50	Sihak Premier	(Bid	2.00	Asked)		
25c.	.14½	.04	Silvercrest		(.03½	Bid	.05	Asked)
20c.	.10	.01	Silversmith	5,600	.03	.03	.02½	.02½
1	.63	.40	Standard Silver		(Bid	.40	Asked)	
1	.75	.20	Sunloch		(22 Bid	..Asked)		
10c.	21.00	19.75	Sunshine	......	19.75	Apl. 5		
No	.13	.04½	Taylor Bridge		(.04½ Bid	.. Asked)		
No	1.05	.30	Vidette Gold	800	.36	.33½	.33½	.33½
No	.06½	.00¾	Viking Gold	5,000	.01	.01½	.01	.01
50c.	.03	.00¾	Waverley Tangier	4,000	.00¾	.00¾	.00¾	.00¾
20c.	.13½	.02½	Wellington	3,500	.04	.04	.03½	.03½
50c.	.50	.15	Wesko	5,900	.16	.16½	.16	.16
1	.42	.10	Whitewater	16,850	.14	.15	.14	.14
No	.50	.21½	Ymir Yankee Girl	100	.27	.26	.26	.26

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 30 (or last)	High for week	Low for week	Close Sept. 6
1	1.09	.26	Alta. Pac. Cons.	2,600	.31½	.33	.32	.32
1	.14½	.05½	Amalgamated	6,500	.08	.08½	.08	.08
No	.45	.07	Associated Oils		(.12 Bid	.. Asked)		
1	.64	.07½	Anaconda	2,000	.11	.11	.10½	.10½
No	.24	.04½	Baltac	1,000	.06	.05½	.05½	.05½
1	1.05	.15	Brit. Dominion		(Bid	.20 Asked)		
1	.80	.26	Commonwealth	2,500	.31	.31	.30	.30
No	6.50	2.15	Calgary and Edm	4,655	2.50	2.50	2.31	2.45
1	1.84	.43	Calmont	3,200	.52	.53	.49	.50
1	.13	.04½	Crow's Nest	7,900	.08	.08½	.07½	.08
No	3.55	.71	Dalhousie	200	.80	.80	.80	.80
No	.36	.36	Davies Pete.		(.38 Bid	.40 Asked)		
No	.24	.05	Devenish	1,500	.06	.06	.06	.06
No	.45	.13	Eastcrest	......	(.15½ July 24)			
No	.96	.23	Foundation Pete	500	.25	.28	28	.28
No	.44	.07	Freehold	12,350	.07	.07½	.07	.07
No	.40	.10	Hargal	1,030	.18½	.20	.19	.19
No	.91	.14	High Sarcee	300	.18½	.19	.19	.19
No	4.10	1.50	Home Oil	1,100	1.81	1.82	1.75	1.75
No	.88	.20	Lowery Pete	600	.21	.21	.20½	.21
No	.35	.04½	Madison	8,600	.08	.08½	.08	.08
No	.50	.10½	Marjon Oil	4,200	.11½	.11	.10½	.10½
No	.78	.18	McD. Segur Ex.	5,800	.23	.23	.22	.23
1	1.60	.38	McLeod		(.38 Aug. 27)			
No	.88	.22	Mercury	6,750	.30	.31	.29½	.31
No	.39	.09	Merland	100	.10	.09	.09	.09
No	.65	.16	Mill City Pete.	100	.20	.20	.20	.20
No	.65	.08	Midwest Pete	1,000	.09	.08	.08	.08
1	1.15	.44	Model	1,200	.54	.54	.53	.53
25c.	.52	.23	Monarch Royal	16,700	.33½	.36½	.33½	.34½
5	.48	.14	Nordon	700	.21	.22	.20	.22
No	4.60	.85	Okalta	4,100	1.61	1.60	1.50	1.57
No	.44	.11½	Pacalta Oil	4,600	.21	.19	.17	.19
25c.	.35	.24	Prairie Royalties		(.21 Bid	.22 Asked)		
1	1.50	.10	Ranchmen's	6,500	.10	.18	.12	.18
No	59.00	34.00	Royalite	45	41.00	41.00	39.50	39.50
No	2.00	.45	Southwest Pete.		(.50 Bid	.60 Asked)		
1	.75	.19	Spooner	1,000	.24	.25	.25	.25
No	.72	.16½	United	5,700	.21	.20	.19	.20
No	.38	.05	Vanalta	700	.08	.09	.08½	.09
1	3.05	.95	Vulcan	350	1.50	1.48	1.42	1.45

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Sept. 7, 1937

Public Utility Issues:	Int. Rate %	Due	Bid Sept. 7	Asked	Bid Aug. 31
†Assoc. Tel. & T.	5½	'55	78	81	81
▴Avalon Tel.	5½	'48	102	...	102
Beauharnois P.	5½	'73	58	61	62
‡Bell Telephone.	5	'55	112	115	112½
‡Do.	5	'57	119	122	119
B. C. Power	4½	'60	99	102	99
B. C. Tele.	4½	'61	105½	108½	106
†Can. Nor. Pwr.	5	'53	103½	106½	103½
‡Dom. Gas & El.	6½	'45	84	87	83½
‡Gatineau Pwr.	5	'56	102½	105½	103
‡Do., A	6	'41	100½	103½	101
‡Do., B	6	'41	100½	103½	101
Gt. Lakes Pwr.	4½	'56	93½	96½	93½
‡Inter. Hydro-El.	6	'44	76	79	81
‡Inter. Power	6	'57	98½	101½	98½
‡Do.	6½	'57	99½	102½	99½
▴Do.	6	'55	101	104	101
†Macl'n-Que. Pr.	5½	'61	100½	103½	101
†Do.	5½	'64	100	103	100½
†Mtl. Island Pr.	5½	'57	104	107	104
†Mtl. L., H. & P.	3½	'56	99	102	99
†Mtl. Tramways	5	'41	100½	103½	101
†Do.	5	'55	77½	80½	78
Nfld. L. & P.	4½	'56	98	101	98
N. S. L. & Pr.	4	'57	98½	101½	98½
†Ot'wa L. H. & P.	5	'57	104	107	104
†Ottawa V. Pwr.	5½	'70	104	107	104½
†Power Corp.	4½	'59	98½	101½	99
Saguenay P., B.	4½	'66	102	105	102½
*Do., A	4½	'66	101	104	101
†Shaw. W. & Pr.	4	'61	98½	101½	98½
†Do.	4½	'70	103½	106½	103½
†United Secs.	5½	'52	75	78	76
†West. Pwr. Co.	5	'49	104	107	104
‡Wpg. Elec., A	4	'65	71½	74½	74
‡Do., B	4	'65	61	64	...
Industrial and Realty Issues					
†Abitibi P. & P.	5	'53	88	91	96
Acadia Sugar	4½	'55	100	103	100½
B. A. Oil	4	'45	101½	104½	102
Canada Bread	6½	'47	108	111	108
†Canada Cement	4½	'51	102	105	102½
†Canada Paper	4½	'52	97½	100½	98
Can. Steamship	5	'57	77	80	80
Can. Canners	4	'51	99	102	99
Can. Bakeries	6½	'45	99½	102½	100
‡Can. Inter. Pap.	6	'49	100½	103½	101
C. P. R debs.	4	Per.	94½	97½	95
Do.	3½	'51	94½	97½	99
Do.	4	'49	98½	101½	101
Do.	4½	'44	100½	103½	94
†Can. Vickers	6	'47	96	99	96½
†Consol. Paper	5½	'61	87½	90½	94
▴Dom. Stl. & C.	6½	'55	101½	104½	104½
Dom. Tar	4½	'51	100	103	100½
Dom. Textile	4½	'55	105½	108½	105½
†Donnacona P.	4½	'56	85½	88½	87
†Famous Players	4½	'51	96	99	97
†Fraser Cos.	6	'50	103	106	104
†Gen. Steel W.	4½	'52	96	99	96½
Great Lakes P.	5	'55	96	99	97½
†Gypsum, Lime.	5½	'48	100½	103½	101½
†Gr. Br. & Can. Invest.	4½	'59	85	88	86
Hamilton Cot.	5½	'48	...	...	103
Ham. By-Prod. Coke	5	'50	99	102	99½
†Inter. Paper	6	'55	96	99	97
†Inter. P. & P. Nfld.	5	'68	101	104	102
Inter City Bak.	5½	'48	102	105	103
†Kingston Elev.	6	'50	95	98	95½
Lake St. John P. & P.	5½	'61	100	103	100½
Do.	5	'61	81	84	83½
†Lond. Can. Inv.	4½	'48	94½	97½	95
†Massey-Harris	5	'47	97	100	97
†Mersey Paper	6	'49	100	103	100½
‡M. & O. Paper	6	'45	70	73	75½
Nat'l Grocers	4	'47	100½	...	100½
Nor. Ont. Bldg.	6½	'39	97	100	97
†Price Bros.	5	'57	99	102	100½
‡Prov. Paper	5½	'47	101	104	101½
Queen's Hotel	6	'47	98	101	98
†Restigouche C.	6	'48	113	116	113½
†Rolland Paper.	5½	'51	102	105	103
Ruddy & Co.	6½	'48	98	101	98
†Simpsons Ltd.	4½	'51	97	100	97
†Smith, Howard	4½	'51	102	105	103
†Steel of Canada	6	'40	109½	112½	109½
Sterling Coal	6	'40	94	97	94½
*Twin City	5½	'52	74½	77½	76
United Amuse.	5	'56	98	101	99
United Corp.	5	'53	95	98	95½
Union Gas	4½	'50	99½	102½	100
▴Wabasso Cot.	4½	'51	...	...	97
Windsor Hotel	6½	'43	82	...	82
Do.	6	'47	40	44	40

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. ▴Payable in Can. or U. K. *Payable in U. S. only.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Sept. 7, 1937

Industrial Stocks:	Bid	Asked
Acadia Sugar pfd.	4.10	4.90
Acme Farmers Dairy pfd.	43.00	....
Algoma Steel com.	14.50	16.00
Do., pfd.	78.00	81.00
Andian Nat. Corp.	34.00	35.00
Barrymore Cloth pfd.	25.00	29.00
Brandram-Henderson com.	5.25	6.00
Do., pfd.	20.50	....
B. C. Pulp & Paper com.	46.00	48.00
Do., pfd.	102.00	....
Burns & Co. A	10.00	11.00
Do., B	4.75	5.75
Can. Airways	4.50	5.50
Can. Industries A com.	225.00	....
Do., B com.	225.00	230.00
Do., pfd.	153.00	157.00
Can. Ingersoll Rand	127.00	130.50
Can. Tube & Steel com.	14.50	15.50
Do., 1st pfd.	110.00	....
Do., 2nd pfd.	25.00	....
Chase, A. W., pfd. bonus	26.00	....
Claude Neon pfd.	9.00	12.00
Conduits Nat. com.	5.50	6.00
Dom. Found. & Steel pfd.	98.00	100.50
Dominion Woollens pfd.	3.00	4.25
Dunlop Tire pfd.	92.00	....
Federal Grain pfd.	30.00	35.00
Frost Steel & Wire A pfd.	49.00	55.00
Goderich Elevator	4.25	5.25
Greening Wire 7% pfd.	10.00	....
Guelph Carpet pfd.	105.00	107.00
Do., com.	25.00	26.50
Hayes Steel Prod. com.	10.00	11.00
Do., pfd.	7.50	8.75
Highland Dairy pfd.	79.75	83.00
Huether Brewing pfd.	2.00	....
Kingston Shipbuilding Units	6.00	....
Loblaw's Inc. (U.S.) Units	80.00	....
McCormick's com.	4.50	5.25
Do., pfd.	16.00	....
Morrison Brass pfd. bonus	11.00	13.00
Mount Royal Hotel pfd.	4.00	4.90
N. Method Laund. pfd. bonus	92.00	96.00
Paterson, Wm., pref.	100.00	....
Perfection Pete. pfd.	20.00	23.00
Provincial Paper pfd.	108.00	108.50
Quebec Pulp & Paper pfd.	26.50	28.00
Reliance Grain pfd.	....	83.00
Rob. Consol. Cone	10.50	11.50
Ruddy. E. L., pfd.	30.00	34.00
Seal O Sac (Can.)	8.00	11.00
Standard Fuel com.	4.25	5.75
Do., pfd.	....	93.00
Supertest Petroleum B pfd.	26.75	27.25
Toronto Carpet com.	54.00	58.00
Do., pfd.	59.00	....
United Steel A pfd.	18.50	19.25
Western Grain pfd. bonus	5.00	7.00
Weston (Geo.) Foods (Eng.)	2.50	3.10
Wings Limited	.95	1.10
Zellers Ltd. pfd.	83.00	....
Trusts and Loan Stocks:		
Chartered Trust	99.00	102.50
Commercial Finance	2.50	3.00
Guelph Ont. Inv. par $50	48.50	52.00
London & West. Trust	51.00	55.00
Prudential Trust	6.00	....
Sterling Trust	41.00	....
Traders Fin. A com.	17.50	19.00
Do., Inc. rights	11.50	14.00
Do., B pfd. bonus	94.00	98.00
Trusts & Guarantee	28.00	30.50
Insurance Stocks:		
Canada Life	534.00	545.00
Canadian Ins. Shares	18.00	....
Confederation Life 20% pd.	115.00	118.00
Dominion Fire	134.00	....
Dom. of Can. Gen.	120.00	134.00
Empire Life 25% pd.	12.25	13.50
Federal Fire 25% pd.	41.00	....
Great West Life	300.00	320.00
Guar. of N.A. fully pd.	325.00	340.00
Do., 20% pd.	61.00	....
Imperial Life	363.00	375.00
Manufacturers Life	271.00	295.00
Monarch Life 10% pd.	24.00	27.00
Sovereign Life 25% pd.	15.00	17.00
Sun Life (Div. $15)	670.00	700.00
Western Assce. pfd.	40.00	43.00
Do., com.	51.00	54.00
Theatre Stocks:		
Allens Kingston pfd.	64.00	....
Do., St. Catharines pfd.	60.00	....
Do., Tor. pfd. bonus com.	28.00	32.00
Loew's London 7% pfd.	2.00	2.90
Mansfield Theatre pfd.	30.50	34.00
Paramount Kitchener pfd.	56.00	61.00
Do., Oshawa pfd.	88.00	95.00
United Amuse. A V.T.	18.50	20.50
Do., B	18.50	21.00
Investment Trust Shares:		
Can. Gen. Invest. Ltd.	9.75	10.10
Can. Investment Fund	4.40	4.75
Can. Investors	8.50	9.25
Cons. Div. Std. Sec. com.	.25	....
Do., pfd.	21.00	....
Invest. Found. pfd. bonus	55.00	58.00
Lon. Can. Invest. com.	3.00	5.25
Sec's. Hold. Corp. 6% pfd. bonus	20.00	22.50
United Corpns. A	23.25	24.50
Do., B	21.00	22.50
Power Issues:		
Can. West Nat. Gas com.	26.00	....
Do., pfd.	88.00	91.00
Foreign Power Secs. pfd.	8.00	10.00
Great Lakes Power pfd.	100.00	....
Inter. Util. 1.75 pfd.	14.50	16.00
Do., 7.00 pfd.	94.00	....
Montreal Island Pwr. pfd.	17.00	20.00
N.B. Tele. com.	13.50	14.25

Unlisted Mines

Sept. 7, 1937

	Bid	Asked
Albany River	.49	.50
Algold	.37	.39
Altura	.12	.15
Armistice	.08	.11
Arno	.02½	.03½
Area	.04	.04½
Augite	.16	.18
Bailor	.02	.02½
Barber Lar	.10	.12
Bathurst N.	.01¾	.01¾
Bilmac	.12	.14
Baldwin	.01½	.02¼
Bear	.27	.30
Big Master	.06	.07
Cuniptau	.04½	.05
Calder B.	.05	.06
Cal. Flin Flon	.03	.03¾
Can. Pan.	.09¾	.10½
Can. Kirk.	.01¾	.02¼
Candalac	..	.35
Casey Con.	.01	.01½
Chesterville	..	1.20
Coin Lake	..	.06
Condor O.	.03¾	.04¼
Can. Kirk	.21	.23
Cooke Lake	.26	.29
Coulson C.	.07	.08
Cres. Kirk.	.04½	.05
Dawson W.	.12	.13
Dempsey C.	.05½	.07½
Denison N.	.34	.35
Doreva	.15	.18
Desant N.	.27	.32
Delosha	.17	.19
Dunlop N.	.06½	.07¼
El Bon.	.09	.10½
Electro Porc.	.07	.08
Eva Lake	.08¼	.09
Elmos	.08	.10
Faulkenham	.35	.39
Fernland	.19½	.21
Fleming	.16	.17
Franklin	.01¼	.01¾
Frontier	.07	.08½
Galatea	.01½	.02½
Garnet	.02	.02¾
Gateway Pat.	.05½	.06½
Gilbec	.02¼	.02¾
Gold R.	.03	.03½
Goldside	.03	.03¾
Golden Gate	.50	.53
Gordon Lebel	.07½	.08½
Gull K.	.02	.02¾
Hudson Pat.	.02	.03
Hislop	.03½	.06½
Horseshoe	.01½	.01¾
Hutch. Lake	.14	.15
Hugh Pam.	.07½	.08½
John Nip.	.03	.04
Kaw Crow	.03¾	.05
Kenecho	.11	.12
Kenricia	.28	.33
Kewgama	.35	.38
King Kirk	.02½	.02¾
Kir. Vit.	.11½	.12
Kir. Hunt.	.02½	.02¾
Lake Rowan	..	.32
Lafayette	.02½	.03
Lake Geneva	.48	.51
Lamaque	..	7.25
Lardego	.07	.08
Mag. Lake	.06	.07
Mag. Cn.	.17	.19
Malartic G.	.24	.27
Mart Mc.	.05	.05½
Mart Bird	.44	.46
Margaret	.28	.29
Match. C.	.12	.14
Moffatt N.	.05½	.06½
McFarlane	.09½	.10½
McCarthy Webb	.19	.20
McVittie K.	.04	.05
Monarch	.07	.08
Mooshla	.12	.14
Mosher	.18	.19
Norlake	..	.08½
North Shores	.03	.03½
Oklend	.14	.16
Oriole	.06	.06½
Ossian	.01½	.01¾
Pascalis	.29	.32
Porc. McNabb	.03¾	.04¾
Potterdoal	.02	.02¼
Plains P.	2.60	3.00
Porc. Triumph	.09	.11
Pont. R.	.14	.15
Pelangio	.10	.11
Proprietary	1.65	1.75
Que. Man.	.56	.57
Rajah	.05	.06
Richmac	..	.25
Ribago N.	.14½	.15½
Ribago O.	.03½	.04½
Roeanor	.05	.09
Rouyn R.	.04	.04¼

Winnipeg Stocks

(Transactions from Aug. 29 to Sept. 4)

	Sales	High for period	Low for period	Close Sept. 4
Flin Flon	4,500	.06	.05½	.06
Gt. Falls M. & S.	1,750	.05	.05	.05
Gurney	400	.35	.34	.34
Gold Lake	6,925	.02½	.02	.02
Home Invest.	10	25.00	25.00	25.00
Marvel Oils	2,000	.05	.05	.05
Star Lake	9,000	.02	.01½	.01½
Ore Grande	4,500	.02	.02	.02
Packsack	6,200	.15	.09½	.15
Sachigo River	60	17.00	16.00	16.00
United Grain	11	8.00	8.00	8.00
West. Steel, pf.	70	14.00	13.00	14.00
Wings, Ltd.	50	1.00	1.00	1.00
Wylie Dom.	2,000	.28	.26	.27
Wpg. R. Tin	4,600	.02	.02	.02

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Insurance	..	100
Can. Indemuity	125	..
Federal Grain, com.	..	4
Federal Grain pref.	31	..
Northern Can. Mtge.. pf.	3	..
North. Mtge., par paid	..	2
Northern Trust	8¾	..
Traders Bldg.	88¼	..
West. Brew.	1¼	..

*Stocks more active on other exchanges not included.

Municipal Bonds

September 8, 1937

	Rate	Due	Bid	Ask.	Yld.
†Halifax	5	1961	111.00	113.00	4.14
Hamilton	5	1950	113.50	115.50	3.50
Montreal	5	1945	104.00	106.00	4.06
Ottawa	4½	1945	108.50	110.60	3.00
†Quebec	5	1959	103.00	105.00	4.63
Saint John	5	1950	106.00	108.00	4.21
†Toronto	4½	1955	111.50	113.50	3.47
†Vancouver	5	1950	91.00	95.00	5.56
Winnipeg	5	1944	98.00	102.00	4.64

†Payable Can. and N. Y.

Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines
Sept. 7	93,900	175,200	909,000
Sept. 6	Holiday		
Sept. 4	7,700	16,200	133,000
Sept. 3	19,900	28,300	261,000
Sept. 2	50,800	68,300	417,000
Sept. 1	27,900	48,200	326,000

UNLISTED MINES (Continued)

	Bid	Asked
Rubec	.02¾	.03¼
Sand River	.22	.25
Shenango	.14½	.15½
Skookum	.05½	.06
Siscoe Ex.	.23	.24
Smelter	.01¾	.02¼
Spooner	.12	.14
Sturgeon River	.23	.26
Springer	.09	.11
Straw L.	.11½	.12
Sun Bear	.17	.19
Tonawanda	.03	.03½
Triple Lake	.34	.36
Upper Can.	.24	.26
Wascana	.11	.13
Williamson	.09½	.11½
Wesley I.	.12	.14
Westside	.05	.06
West R. Lake	.03½	.04
White Horse	.13	.15
Wendigo	.21	.22
Woco	.21	.23
Winoga	.06½	.07½
Young D.	.19½	.21
Ypres C.	.14	.15

Government Bonds

Dominion of Canada Bonds

Sept. 8, 1937		Bid	Asked	Approx. Yld.
2	15 Nov. '39	101.50	102.00	1.10
2½	15 Oct. '39	102.50	103.00	1.10
4	15 Oct. '39	105.50	106.00	1.19
1½	1 June '40	100.25	100.75	1.22
4½	1 Sept. '40	107.85	108.35	1.64
1	15 Mar. '41	97.75	98.25	1.50
5	15 Nov. '41	110.85	111.35	2.16
3	15 Oct. '42	104.00	104.50	2.08
2	1 June '43	101.25	101.75	2.17
5	15 Oct. '43	111.85	112.35	2.79
5	15 Oct. '44	110.50	111.00	2.80
2½	15 Aug. '45	99.00	99.50	2.57
4½	15 Oct. '45	106.75	107.25	▲2.70
4½	1 Feb. '46	110.50	111.00	3.01
3¼	1 June '49	101.25	101.75	▲3.02
3½	15 Oct. '49	102.75	103.25	▲2.99
3¾	15 Oct. '52	106.25	106.75	▲3.24
3	1 June '55	97.00	97.50	3.18
4	1 Nov. '56	109.75	110.25	▲3.24
4½	1 Nov. '57	109.75	110.25	▲3.33
4½	1 Nov. '58	110.50	111.00	▲3.34
4½	1 Nov. '59	110.75	111.25	▲3.39
3¼	15 Jan. '61	99.25	100.00	3.25
3¼	1 June '66	98.60	99.10	3.30
3	Perp. bds.	87.50	88.25	3.40

Dominion Guaranteed Bonds

Canadian National Railway:				
3	1 May '44	102.00	103.00	2.51
3	15 Dec. '50	97.00	98.00	3.18
3	15 Feb. '53	96.00	97.00	3.25
4½	1 Sept. '51	112.75	113.75	3.27
4½	1 Feb. '56	113.25	114.25	3.45
4½	1 July '57	112.50	113.50	3.55
4½	15 June '55	116.00	117.00	3.47
4½	1 Feb. '54	116.50	117.50	3.58
5	1 July '69	116.00	117.00	▲2.90
5	1 Oct. '69	118.50	119.50	▲3.40

Provincial Government Bonds

New Brunswick:				
4	1 Sept. '54	100.00	102.00	3.83
4½	15 Apr. '61	104.00	105.50	4.12
5	15 Jan. '60	107.50	109.50	4.33
Nova Scotia:				
3	2 Sept. '45	97.00	98.50	3.20
4½	15 May '43	106.50	107.50	3.08
4½	15 Sept. '52	108.00	109.00	▲3.43
5	1 Mar. '60	115.50	117.50	3.86
Ontario:				
3	1 Dec. '51	96.00	97.00	3.28
4	1 June '62	106.00	107.00	3.56
4½	1 June '50	110.50	111.50	3.40
4½	15 Jan. '62	114.00	116.00	3.52
5	15 Oct. '48	114.25	115.25	3.39
5	2 Dec. '60	119.50	121.00	3.66
5½	1 July '46	116.00	117.00	3.30
Ont. Hydro Comm.:				
3½	1 Apr. '47	102.25	103.25	3.12
4½	1 Jan. '70	116.75	117.75	3.79
Prince Edward Island:				
3	1 Oct. '45	97.00	98.50	3.21
Quebec:				
4	15 Mar. '52	105.00	106.25	3.46
4½	1 Aug. '58	108.75	109.75	3.58
4½	2 Jan. '63	110.50	112.00	3.77
Alberta:				
4	15 Dec. '54	51.00	54.00	§
4	1 Dec. '57	51.00	54.00	§
6½	1 Oct. '51	66.00	69.00	§
4½	1 Oct. '56	55.00	56.50	§
5	1 Jan. '48	56.50	58.00	§
5	1 Sept. '55	56.50	58.00	§
5	1 Oct. '59	56.50	58.00	§
5½	1 Jan. '47	57.50	59.50	§
6	1 Mar. '47	64.00	66.00	§
British Columbia:				
4	1 Dec. '57	92.00	93.50	4.48
4½	15 Jan. '51	97.00	98.00	4.70
4½	1 Oct. '53	96.00	97.00	4.76
5	15 Jan. '48	100.00	101.00	4.87
5	1 Sept. '53	100.00	101.00	4.91
5½	1 Feb. '45	102.00	103.00	5.00
6	15 Feb. '47	104.00	105.00	5.32
Manitoba:				
4	2 Jan. '50	81.50	84.00	5.82
4	1 Dec. '57	82.00	84.50	5.24
4½	15 Dec. '56	84.00	87.00	5.60
5	15 June '54	90.00	92.00	5.74
5	2 Dec. '59	90.00	92.00	5.62
5½	1 Oct. '55	93.00	94.50	6.00
6	1 Apr. '47	97.00	98.50	6.20
Saskatchewan:				
4	15 Aug. '53	66.00	68.00	7.46
4	1 Nov. '60	65.00	67.00	6.67
4½	2 July '45	74.00	77.00	8.52
4½	1 Oct. '51	78.00	80.00	6.85
4½	15 Mar. '60	68.00	70.00	7.21
5	1 Aug. '58	72.50	74.50	7.41
5½	15 Nov. '46	78.00	82.00	8.33
5½	1 Oct. '52	75.00	76.50	8.20
6	15 Mar. '52	77.00	79.00	8.50

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%.

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surp., pfd.	$1.75	Oct. 1	Sept. 15
Bell Telephone	$2	Oct. 15	Sept. 23
Brazilian Traction	$1.50	Oct. 1	Sept. 15
Burlington Steel	15c	Oct. 1	Sept. 15
Biltmore Hats, pfd.	$1.75	Sept. 15	Aug. 14
Bk. of N. Scotia	$3	Oct. 1	Sept. 15
Bright, T. G.	7½c	Sept. 15	Aug. 31
Do., pref.	$1.50	Sept. 15	Aug. 31
Belding-Cort.	$1	Oct. 1	Sept. 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Bralorne Mines	10c	Oct. 15	Sept. 30
Do., extra	10c	Oct. 15	Sept. 30
B. C. Power, A	50c	Oct. 15	Sept. 30
Can. Nor. Pwr., pf.	$1.75	Oct. 15	Sept. 30
Do., com.	30c	Oct. 25	Sept. 30
Cent. Can. Loan	$2	Oct. 1	Sept. 18
Cent. Patricia	4c	Sept. 30	Sept. 15
Can. Canners, 1st pf.	25c	Oct. 1	Sept. 15
Do., 2nd pref.	15c	Oct. 1	Sept. 15
Can. For. Inv.	40c	Oct. 1	Sept. 15
Do., pref.	$2	Oct. 1	Sept. 15
Can. Gen. Elec.	$1.50	Oct. 1	Sept. 15
Can. Packers	75c	Oct. 1	Sept. 15
Can. Breweries pf.	50c	Oct. 15	Sept. 30
Canada Cement	$1.25	Sept. 20	Aug. 31
Cosmos Imp., pref.	$1.25	Oct. 15	Sept. 30
Canadian Oil, pref.	$2	Oct. 1	Sept. 20
Cariboo Gold	2½c	Oct. 1	Sept. 10
Candn. Industries	$1.75	Oct. 30	Sept. 30
Do., pref	$1.75	Oct. 15	Sept. 30
Carnation Co., pf.	$1.25	Oct. 1	Sept. 20
Can. Perm. Mtge.	$2	Oct. 1	Sept. 15
Can. Malting	37½c	Sept. 15	Aug. 31
Can. Cottons	$1	Oct. 1	Sept. 17
Do., pref.	$1.50	Oct. 1	Sept. 17
Comm. Alcohol, pf.	*10c	Oct. 15	Oct. 1
Can. Wire. Box, A	37½c	Oct. 1	Sept. 15
Dom. Bank	$2.50	Oct. 1	Sept. 20
Dom. Tar & Chem., pfd.	$1.37½	Sept. 15	Aug. 25
Dom. Textile	$1.25	Oct. 1	Sept. 15
Do., pref.	$1.75	Oct. 15	Sept. 30
Electrolux Corp.	40c	Sept. 15	Aug. 16
Do., extra	10c	Sept. 15	Aug. 16
Eng. Elec., A	62½c	Sept. 15	Aug. 31
Fanny Farmer	25c	Oct. 1	Sept. 15
Do., extra	25c	Oct. 1	Sept. 15
Falconbridge	7½c	Sept. 30	Sept. 8
Ford Motor, A. B.	25c	Sept. 18	Aug. 28
Ham. Un. Theat., p.	$1.50	Sept. 30	Aug. 31
Ham. Cotton, pfd.	‡50c	Oct. 1	Sept. 15
Imp. Tobacco	10c	Sept. 30	Sept. 10
Do., pref.	3%	Sept. 30	Sept. 10
Inter. Mining	15c	Sept. 20	Aug. 31
Inter. Nickel, c.	50c	Sept. 30	Aug. 31
Lang, J. A., c.	17½c	Oct. 1	Sept. 15
Lake Shore Mines	$1	Sept. 15	Sept. 1
Lava Cap Gold	5c	Sept. 30	Sept. 10
Louisiana Land	10c	Sept. 15	Sept. 1
McColl-Fron., c.	10c	Sept. 15	Aug. 14
Do., pref.	$1.50	Oct. 15	Sept. 30
Monarch Knit., pf.	$1.75	Oct. 1	Sept. 15
Montreal Cottons	50c	Sept. 15	Aug. 31
Do., pref.	$1.75	Sept. 15	Aug. 31
Mtl. C. & D. Sav.	$3	Oct. 1	Sept. 15
Nat. Trust	$2	Oct. 1	Sept. 20
Nat. Brew.	50c	Oct. 1	Sept. 15
Do., pref.	44c	Oct. 1	Sept. 15
Nat. Biscuit, c.	40c	Oct. 15	Sept. 10
Ont. Loan & Deb.	$1.25	Oct. 1	Sept. 15
Ont. Silknit, pf.	$1.75	Sept. 15	Aug. 31
Ottawa Traction	50c	Oct. 1	Sept. 15
Pickle Crow	10c	Sept. 30	Sept. 15
Pioneer Gold (B.C.)	10c	Oct. 1	Sept. 1
Power Corp., pfd.	$1.50	Oct. 15	Sept. 30
Do., 2nd pfd.	75c	Oct. 15	Sept. 30
Premier Gold	3c	Oct. 15	Sept. 15
Do., extra	1c	Oct. 15	Sept. 15
Pressed Metals	50c	Oct. 1	Sept. 15
Russell Motor	$1.25	Sept. 30	Sept. 15
Do., pref.	$1.75	Sept. 30	Sept. 15
Remington-Rand	35c	Oct. 1	Sept. 10
Reno Gold	3c	Oct. 1	Sept. 10
Sheep Creek G.	2c	Oct. 15	Sept. 30
Do., extra	1c	Oct. 15	Sept. 30
Reliance Grain, pf.	$1.62½	Sept. 15	Aug. 31
Sylvanite Gold	20c	Sept. 30	Aug. 16
R. S. Mills, A	50c	Oct. 1	Sept. 15
Siscoe Gold M.	5c	Sept. 15	Aug. 31
Smith, R. Pap., pf.	$1.50	Oct. 15	Sept. 30
So. Can. Pwr., pfd.	$1.50	Oct. 15	Sept. 20
Stand. Steel, pf., A	75c	Oct. 1	Sept. 15
Do., arrears	75c	Oct. 1	Sept. 15
Tor. Gen. Trusts	$1	Oct. 1	Sept. 18
Tor. Mortgage	$1.50	Oct. 1	Sept. 15
Union Gas	15c	Sept. 15	Aug. 20
Weston, Geo., c.	20c	Oct. 1	Sept. 15
Walker-G. & W.	50c	Sept. 15	Aug. 20
Do., pref.	25c	Sept. 15	Aug. 20
West. Grocers	75c	Oct. 15	Sept. 20
Do., pref.	$1.75	Oct. 15	Sept. 20
West. Koot. Pr., pf.	$1.75	Oct. 1	Sept. 22
Wr. Hargreaves	10c	Oct. 1	Sept. 8
Do., extra	5c	Oct. 1	Sept. 8

*Initial. ‡On arrears.

Listed Bonds

Week ended Sept. 6

	Int. rate	Due	High	Low	Range 1937 High	Range 1937 Low
Mtl. L. H. & P. Debs.	3	'39	50½	..	50½	50½

DIVIDEND NOTICES

THE DOMINION BANK

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 30th September, 1937, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the 1st day of October, 1937, to shareholders of record of the 20th September, 1937.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 12th August, 1937.

Acme Glove Works, Limited

DIVIDEND NOTICE

A Quarterly Dividend of One and Five Eighths Per Cent (1⅝%) has been declared upon the Six and One Half Per Cent (6½%) Cumulative Preferred Shares of Capital Stock of this Company, to be paid October 1st, 1937, to shareholders of record at the close of business on September 18th, 1937.

A dividend of 12½c. (Twelve and One Half Cents) per share has been declared on the no par value Common Stock of this Company, to be paid on October 1st, 1937, to shareholders of record at the close of business on September 18th, 1937.

By Order of the Board.

A. LEPINE,
Secretary.

Montreal,
September 8th, 1937.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 37

NOTICE is hereby given that dividend of Fifty cents (50c) per share on "Class A" Shares has been declared for the three months ending September 30th, 1937, payable on October 15th, 1937, to shareholders as of record at the close of business on September 30th, 1937. Cheques will be mailed by the Montreal Trust Company, Montreal.

By order of the Board:

ERNEST ROGERS,
Secretary.

Vancouver B.C.
September 3rd, 1937.

PICKLE CROW GOLD MINES, LIMITED

(No Personal Liability)

NOTICE OF DIVIDEND No. 7

Notice is hereby given that a dividend of ten cents (10c) per share in Canadian funds has been declared payable on Thursday, September 30th, 1937, to shareholders of the company of record at the close of business on Wednesday, Sept. 15th, 1937.

By Order of the Board,

ROBERT FENNELL, K.C.,
Secretary-Treasurer.

Toronto, Ont., Sept. 3rd, 1937.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable.

Friday, the First Day of October next, to Shareholders of record at the close of business on the Fifteenth day of September, 1937.

By order of the Board.

Walter F. Watkins,
Secretary.

Toronto, August 18th, 1937.

Chartered Trust and Executor Company

Notice is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending September 30th, 1937, payable October 1st, 1937, to shareholders of record at the close of business September 15th, 1937.

By Order of the Board.

E. W. McNEILL,
Secretary.

Dated at Toronto,
September 1st, 1937.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.50 per Share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after
1st October, 1937,
to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

2nd September, 1937.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Notice is hereby given that a dividend of one dollar and fifty cents per share for the quarter ending September 30, 1937, has been declared on the Common Stock of the Company.

The above dividend is payable on October 1, 1937, to shareholders of record at the close of business on September 15, 1937.

By order of the Board.

W. H. NESBITT,
Secretary.

Toronto, September 1, 1937.

A. J. PATTISON Jr. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

Thatcher Wins Over Drought

New Wheat May be More Than Rust Resistant

From Our Own Correspondent

WINNIPEG.—There appears to be no basis for the reports that British millers were finding Thatcher wheat unsatisfactory. Laboratory milling tests, made not only in Canada, but also in the United States and in Great Britain, indicated that Thatcher was fully equal to Marquis in quality, and it has been so certified by the Board of Grain Commissioners.

So far as commercial tests are concerned, overseas shipments of Canadian wheat have not yet included Thatcher, and are not likely to include much during the current year. Most of the new rust-resistant variety will be retained for seed for next year, to be used either in Manitoba and eastern Saskatchewan.

Drought Resistant

Western farmers are enthusiastic about Thatcher. It appears to be remarkably drought as well as rust-resistant, so far as can be established from limited tests. Small quantities were grown in Saskatchewan where drought and not rust was the only factor limiting a normal production. In various cases Thatcher out-yielded Marquis by from five to 10 bushels an acre. Final conclusion, of course, cannot be reached on the result of one year's production, and another season may possibly disclose some conditions under which Marquis would excel Thatcher. At present growers are inclined to think that the only legitimate complaint against Thatcher wheat is that it is not quite so attractive in appearance as Marquis, a fact which may become noticeable to buyers when commercial production has been increased

Protein Content

It will take several years to establish the facts as to the relative protein content of Marquis and Thatcher wheats under similar conditions. Any decline in average protein content of western wheat this year has been due to weather conditions and not to wheat varieties.

DIVIDEND NOTICES

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three Quarters per cent. (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 30th September, 1937, payable 15th October, 1937, to shareholders of record 30th September, 1937.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, 2nd September, 1937.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-five cents ($1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 30th September, 1937, payable 1st October, 1937, to shareholders of record 15th September, 1937.

By order of the Board,

L. P. WEBSTER,
Secretary.

Montreal, 2nd September, 1937.

Central Patricia Gold Mines Limited

(No Personal Liability)

Notice Interim Dividend No. 5

Notice is hereby given that an interim dividend of 4 cents a share on the issued capital stock of the company has been declared. Payable on the thirtieth day of September, 1937, to the shareholders of record at the close of business on the fifteenth day of September, 1937.

By order of the Board,

ALAN COCKERAM,
Sec.-Treas.

Dated at Toronto, September 3rd, 1937.

BRALORNE MINES Limited

(Non-Personal Liability)

NOTICE is hereby given that a Quarterly Dividend of 10 cents per share and an Extra Dividend of 10 cents per share have been declared on the paid-up capital stock of the company, payable on the 15th day of October, 1937, to shareholders of record as of September 30th, 1937.

By order of the Board,

RONALD GRACE,
Secretary-Treasurer.

Vancouver, B.C.
September 2nd, 1937.

Western Grocers Limited

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

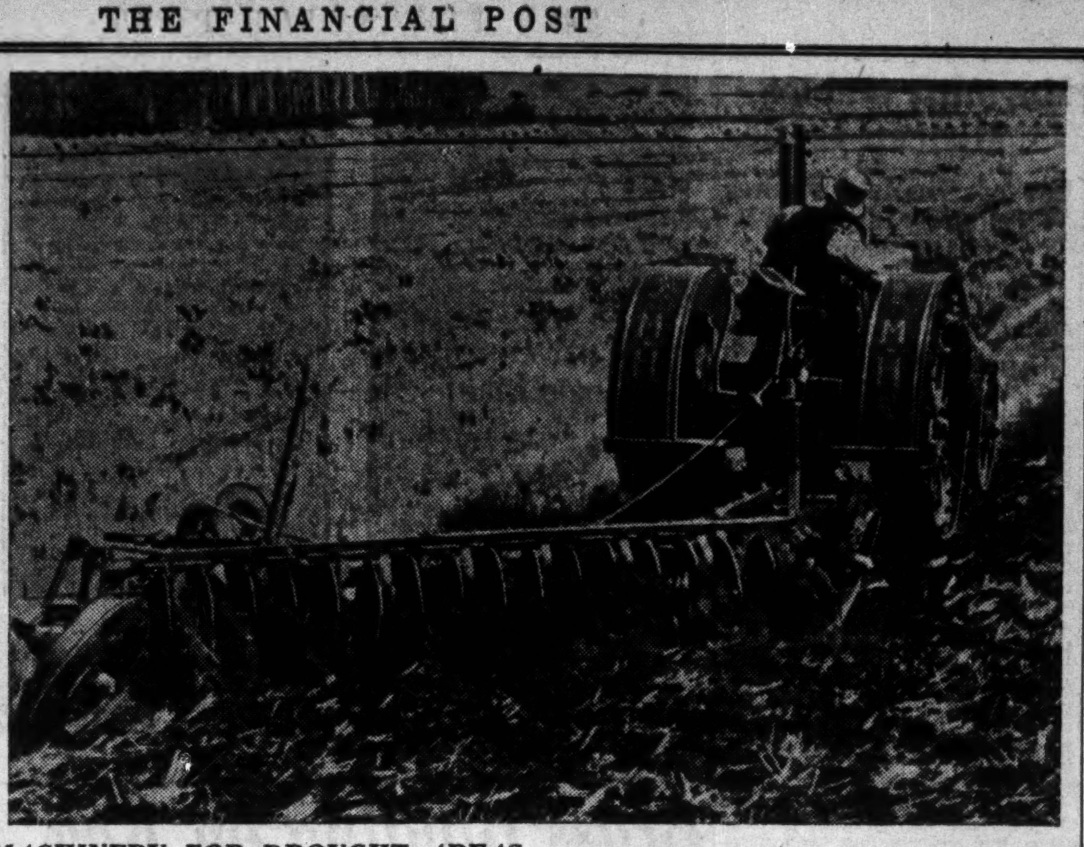
On the Preference Shares, 1¾% for the current quarter, payable October 15th, 1937, to shareholders of record September 20th, 1937.

On the Common Shares, 75c per share, payable October 15th, 1937, to shareholders of record September 20th, 1937.

By order of the Board.

W. P. RILEY,
President.

Winnipeg, Man.,
September 4th, 1937.



MACHINERY FOR DROUGHT AREAS

With a seeder box attached, this one-way disc prepares the stubble land for the wheat crop and sows the seed wheat at one operation. This method leaves the stubble mixed with the surface of the field and deposits the seed below the moisture line, giving quicker, more positive germination and less danger of soil drifting. This machine has been developed and used successfully to combat too fine pulverization of the soil, which has been found to encourage "blowing" while providing a good seed-bed and destroying weeds.

Week in Wheat

Wheat Market Reflects War Fears in Europe

Threat to Slim Supply Sends Prices Jumping — Uncertainty of Russian Supply and Argentine Drought Bullish Factors

From Our Own Correspondent

WINNIPEG.—Sensitiveness of the wheat market in the present condition of narrow trading was shown by the sharp rise after the holiday. Political conditions in Europe, increasing seriousness of the Chinese situation and drought in Argentina, all contributed to bring about an advance in Liverpool. This in turn caused a still larger advance in North American markets, where there has been a fair amount of buying for export against slim offerings by farmers. Tightness in Winnipeg was increased by the fact that rains have delayed threshing operations over a large part of the west, and deliveries over the holiday had been smaller than anticipated.

Comparative lack of Russian offerings is beginning to have a bullish effort at Liverpool. It has been rumored that Russia does not intend to offer more wheat because of political developments in Europe. Such reports and the extremely low level of 30 million bushels to which supplies afloat to Europe have been reduced have made buyers anxious.

While North American weekly export clearances continue at a very small rate, it seems impossible that greatly increased shipments in the near future can be avoided. Presumably much of these will be from the United States, as comparative scarcity of Canadian wheat is expected to keep Winnipeg prices at a premium and exports therefore to moderate levels.

Export Prospects

The wheat market at Winnipeg continues narrow although adequate for the business to be done. Speculative trading is at a minimum, with offerings of new wheat just about sufficient to balance the demand from domestic millers and exporters. The volume of business done each week for export is not large, but is sufficient to support the continued movement of wheat into export channels at a rate sufficient to take care of the small supplies Canada has to offer this year.

Europe has an obvious need for larger wheat imports this year than last, but an equally obvious determination to get along with a minimum of imports, mainly because of the difficulty of paying for imported supplies. In Germany, for example, there is not only a requirement that corn meal must be mixed with flour for making bread, but a law requiring that bread be 24 hours old before it is offered for sale, so that it will go farther.

British and continental millers are restricting their purchases of Canadian wheat to limited amounts required for mixing, and justifying the very considerable premium which now prevails. Danubian wheat is now the staple article in continental markets, with Great Britain buying a good deal from the United States.

* * *

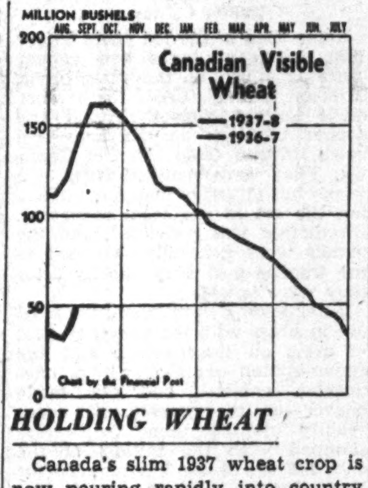
Farmers Are Holding

Manitoba farmers, although delivering grain speedily, are showing a good deal of hesitation in selling it. In recent years the statement has frequently been made that farmers are forced by financial necessity to sell their grain in the fall as soon as they can get it delivered, and consequently cannot wait for a more favorable time. Whether from necessity or not, during the past few years farmers have usually sold most of their grain on delivery at a country elevator.

This year, however, Manitoba farmers, blessed with heavy crops, and with good prices prevailing, and in prospect, are able to choose their own selling time, and are electing to hold an unusually large proportion. This is particularly true of durum wheat, which is currently selling at a large discount under the Northern grades, compared with substantial premiums for several years.

Many growers observing that No. 1 amber durum is selling at prices intermediate between No. 5 and 6 Northern wheat, hope that it will advance to a parity, say, with No. 3 northern, even if there is no hope of it reaching a premium. Then there is a good deal of belief in the theory, not supported by statistics, that wheat prices always tend to drop in the fall months and to rise later in the crop year. More than that, the extent of crop failure in Saskatchewan has persuaded a great many producers that wheat ought to command higher prices than now prevail.

Whatever the cause, the extent of holding is sufficient to make selling pressure on the market decidedly light in comparison with the volume of wheat being marketed.



HOLDING WHEAT

Canada's slim 1937 wheat crop is now pouring rapidly into country elevators but farmers are reported reluctant to sell at present prices unless it is financially impossible for them to hold. As a result, visible is mounting much more rapidly than present nominal sales of a little over a million bushels per week can accommodate.

Details in bushels are as follows:

	Visible Supplies	
Sept. 3	Week Previous	Last Year
49,764,000	38,479,000	147,739,000
	Export Clearances*	
Sept. 3	Week Previous	Last Year
1,103,874	1,531,804	4,359,716

*Plus U. S. imports.

Certainty of Comeback For the West Is Seen By Toronto Executive

(Continued from page 1)

drought areas, recommending that they should not rely upon wheat alone, that they should go in for mixed farming, that they should keep cattle, and that they should cultivate their fields more intensively, etc. Many years of bitter experience, however, have taught the farmer in areas where precipitation is less than normal, that these suggestions arise from a lack of experience. The results obtained by neighbors who have tried to put these ideas into effect have been conclusive.

Dangers of Mixed Farming

Overcultivation increases the danger of "blowing." Wheat which is more hardy can stand drought better than artificial pastures, and, therefore, if the wheat crop is a failure, then the feed crop is sure to be.

When in drought years, the wheat farmer's crop fails him, he has no income, which is bad enough, and his expenses for the fall and winter are reduced to a minimum; whereas the cattle farmer, whose feed crop does not mature, is faced with a bill of expense for imported feed, or he must get rid of his cattle, at a time when, for the same reason, others are doing likewise, and when prices are, consequently, at a low level.

If mixed farming and cattle raising were the solution to the problems in the drought areas, it would not be necessary this year to ship out tens of thousands of cattle to Ontario and other provinces to prevent their dying from lack of food and water in southern Saskatchewan.

Dry Area Not Extending

Speaking broadly, I am satisfied in my own mind that there is nothing fundamentally the matter with the dry areas of Saskatchewan and Alberta, other than lack of rainfall, and I question whether there is any justification for the belief expressed by many, that the dry area is extending, and that the likelihood of abundant rains, such as have been known in years gone by, is diminishing.

When I was in Saskatchewan, I had the pleasure of calling upon the Hon. Geo. Spence, Minister of Railways, Labor and Industries, and I wish here to pay tribute to the earnestness and enthusiasm with which he is carrying out his heavy duties, and particularly to his strong faith in the recovery of Saskatchewan, born, no doubt, of his own half-century of experience as a farmer in the southern portion of that province. Mr. Spence showed me a map, upon which the dry area of the North American continent was clearly defined. The northern extremity included southern Saskatchewan and southeastern Alberta. The record of average rainfall throughout this North American dry area has been kept since 1888. The chart shows how in this span of years the growing season precipitation (Nov. 1 to March 31, mainly snowfall excepted) oscillates between a peak of 27 in. and a low of four inches.

1885 1919
1889 1930
1890 1931
1904 1934
1910 1935
1917 1936
1918 1937

Records of wheat yields in the same area are not available for a comparable period. They have been kept since 1912, however, and indicate generally speaking that the wheat yield has varied in direct relation to the amount of moisture.

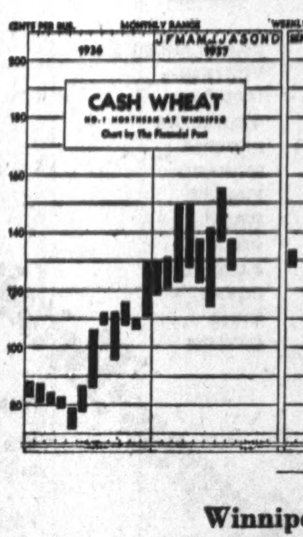
Seasons of More Rain Coming

We read out of the study of these charts the consoling and hopeful fact that the present drought period, although more protracted and more severe than any experienced since records have been kept, is not an isolated phenomenon, but conforms to the general pattern of moisture curve during the past half-century, and consequently fears that the area has gone permanently dry do not appear to be justified.

This chart reveals that during the 56 years under review there were two long periods of sufficient moisture, notably between 1890-1904 and between 1910-1929, with the exception of three years, 1917, 1918 and 1919, when the moisture was slightly below 10 in.

That cycles of greater precipitation will return, and that Saskatchewan will once more produce the largest crops of any of the provinces in this Dominion, is not open to question in my mind, and it is a similar faith in the future which is holding the farmer of the drought areas on his land, notwithstanding the wholly discouraging conditions of the present.

Wheat Prices



(Cash Quotations)

	For Week Sept. 7 High	For Week Sept. 7 Low	Prev. Week High	Prev. Week Low
1 Man. Hard	1.28	1.28	1.31¼	1.27⅞
1 Northern	1.33¼	1.28	1.31¼	1.27⅞
2 Northern	1.27	1.21¼	1.23⅝	1.21
3 Northern	1.21⅜	1.16⅝	1.20⅛	1.16⅛
4 Northern	1.15¾	1.10⅛	1.14⅝	1.10⅛
5 Wheat	1.11¼	1.05⅛	1.06¼	1.05
6 Wheat	.95¼	.91¼	1.01⅝	.93⅞
Feed Wheat	.88¼	.84¼	.90¼	.84
Vancouver: Week to Sept. 5:				
1 Northern	1.22⅝	1.20½	1.22¼	1.20

Competitive Export Prices:
Sept. shipments:

	Week to Sept. 7 High	Week to Sept. 7 Low
No. 1 North. (Atlan.)	1.53⅞	1.50
No. 2 North. (Atlan.)	1.47¾	1.42⅞
Australian	1.30⅞	1.29⅝
Indian (new crop)	1.28⅜	1.24
U. S. Hard Winters	1.30⅛	1.26⅝
Argentine (Rosafe)*	1.25¼	1.21¾
Rumanian	1.18	1.16
Russian	1.24¼	1.23

*New crop, Jan.-Feb.

Winnipeg Grain Futures

Week to Sept. 7, 1937

Crop year from Aug. 1, 1937 High	Crop year from Aug. 1, 1937 Low		Open Sept. 1	High for week	Low for week	Close Sept. 7
		Wheat				
1.32½	1.20¾	Oct.	1.22¾	1.29	1.22¼	1.28¼
1.29⅝	1.17⅝	Dec.	1.19½	1.26⅝	1.18⅞	1.25⅝
1.30¾	1.19¼	May	1.21⅛	1.27¼	1.20⅝	1.26⅝
1.28⅞	1.24⅞	Nov.	......	1.28⅞	1.24⅞	1.28⅝
		Oats				
.49¾	.43¾	Oct.	.47	.49¾	.46¾	.48⅛
.47	.40¼	Dec.	.44⅝	.47	.44⅝	.46½
.47¼	.42½	May	.44¼	.46⅝	.44⅛	.46⅝
		Barley				
.62½	.54¾	Oct.	.55⅝	.58¼	.55⅝	.57½
.60¾	.52½	Dec.	.54	.56⅝	.53¾	.56
.58½	.53¼	May	.54⅝	.56⅛	.54½	.56
		Flax				
1.79	1.72¾	Oct.	1.76¼	1.78¾	1.76	1.78¾
1.78⅝	1.72	Dec.	1.77	1.78⅝	1.76⅛	1.78⅝
1.81	1.75½	May	1.78¼	1.80	1.78¼	1.79⅞
		Rye				
.94	.83	Oct.	.87⅞	.92¾	.86⅞	.91½
.93	.80⅞	Dec.	.85	.90⅞	.83½	.89¾
.92	.82	May	.87	.91¾	.85⅝	.90⅝

TORONTO ELEVATORS LIMITED

Capacity:
Toronto, 4 Million Bushels
Sarnia, 3 Million Bushels

The most modern facilities for the storage and transfer of grains, for grain conditioning, and for the production of MASTER FEEDS for Livestock and Poultry. MASTER FEEDS are endorsed and recommended by leaders in the livestock industry of Canada.

Toronto Elevators Ltd.
also Owning and Operating
The Sarnia Elevator Co. Ltd.
QUEEN'S QUAY TORONTO

GRAND TRUNK PACIFIC ELEVATOR CO.
LIMITED

LOCATED AT FORT WILLIAM ON C. N. R. & C. P. R. ELEVATOR ABSOLUTELY FIREPROOF THROUGHOUT. OPERATED BY ELECTRICITY — CAPACITY 5,750,000 BUS.

Frederick B. Wells, President
W. Slater, Vice-Pres. and Gen. Mgr.

DEPENDABLE
THE
ALBERTA PACIFIC GRAIN Co. Ltd.
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

McCABE BROS. GRAIN CO. LTD.
WINNIPEG, MAN.
Grain Commission Merchants — Shippers and Exporters — All Grains-Sacked Feeds
Country and Terminal Elevator Operators
Grain Merchandising
MANITOBA - SASKATCHEWAN - ALBERTA
Offices: DULUTH - MINNEAPOLIS

C. D. HOWE COMPANY LIMITED
Consulting Engineers
Grain Elevators—Flour & Feed Mills—Reports—Appraisals.
SEVENTH FLOOR, WHALEN BLDG.
PORT ARTHUR, ONTARIO.
J. M. FLEMING, *Mgr. & Ch. Engr.*

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

EST. 1857
Grain Merchants
Shippers & Exporters
Pioneers IN THE EXPORTING OF CANADIAN GRAIN
JAMES RICHARDSON & SONS
Limited

Insurance

Legislation Forecast Failing Co-operation

Companies May Lose Their Powers Committee Head Warns

A warning that legislation restricting operations of fire and casualty insurance companies in the Dominion is to be expected in the not too distant future unless cooperation in the work of the joint committee on definitions is evidenced was issued this week by H. C. Mills, chairman of the committee and manager for Canada of the Insurance Co. of North America.

Significance of the statement lies largely in the fact that Mr. Mills naturally has been closely associated with superintendents of insurance in the committee's work. He is thus in a good position to reflect the views of the provincial insurance authorities. His statement follows those of two of the superintendents, H. G. Garrett, of British Columbia, and Charles Heath, of Manitoba, in which similar views were expressed. It is the first to come from a company executive, however, and is possibly more definite than those of the superintendents.

Nominal Co-operation

It was pointed out at the superintendents' conference recently that although the great majority of companies had subscribed to and endorsed the work of the committee, adherence to its rulings was in some instances merely nominal. Even some of the companies who had definitely signified their willingness to co-operate, do not abide by its decisions. As a result of the conference, the insurance superintendents have recommended legislation to require that all inland marine policies be filed with them for approval, in this way providing the necessary power to enforce the committee's rulings.

Mills's Statement

Mr. Mills's statement reads as follows:

"I consider that the immediate future will largely determine whether the Committee on Definitions and Interpretation of Underwriting Powers of Fire, Marine and Casualty Insurers will continue to function or not.

"This committee, as appointed by the Association of Superintendents, has completed its second year of service and provides, in my opinion, the most constructive influence and sound procedure that licensed insurers, as well as the insuring public in Canada could desire. It leaves with licensed insurers a freedom of expression, an elasticity of procedure in being privileged to place before the Association of Superintendents their recommendations from time to time. These recommendations reflect public requirements with due regard to sound underwriting practices and also permit a regulation of insurance activities throughout the Dominion which can be given the necessary support of respective provincial superintendents within the scope of present legislation and without involving additions or amendments to our present statutes.

"As to whether licensed insurers will permit their objections to detail of less importance to outweigh the desirability of being privileged to continue to direct along such lines their own destiny in the Dominion, is a matter that licensed insurers alone must determine. Apparently the crossroads are rapidly being approached and the choice must be made between the companies retaining a workable and reasonable control of their operations in Canada or the alternative of forfeiting that which is now theirs through the functions of the joint committee for more legislation and a direction of their operations in which they may have but little expression."

Sun Life Investments Are Higher This Year

New investments of the Sun Life Assurance Co. are being confined almost entirely to bonds, debentures and mortgages, agents of that company were told recently Since the beginning of the year, bond holdings have increased by $34 millions to $344 millions. Common stocks now amount to $250 millions; preferred to $17.6 millions.

Policy loans have been reduced $900,000 since 1936 to $86.4 millions, while cash in banks has increased to about $30 millions.

The Wawanēsa Mutual Insurance Company
Canada's Largest Fire Mutual

A leading All-Canada Company — in volume; in strength; and in service to "select" property-owners and agents.
Home Office, Wawanesa, Man. Eastern Office: 341 Church St., Toronto. Branches in Vancouver, Edmonton, Winnipeg, Montreal, Moncton.

FIRE, WINDSTORM, AUTO, CASUALTY

United States Fidelity & Guaranty Company
TORONTO

SALES MANAGER

H. A. H. Baker, who has been appointed superintendent of agencies of the Great-West Life Assurance Co. Mr. Baker, who has been prominent in life underwriting organizations, has a background of 30 years in the insurance business. Immediately prior to his new appointment, he had been manager of the Toronto No. 1 branch of the Great-West.

Manitoba Results Better in 1936

Lower Loss Ratio for Most Fire and Casualty Lines

Improved underwriting experience in almost every important line of fire and casualty insurance is shown in the 1936 report of the Manitoba superintendent of insurance. A census of the business in the province indicates 215 federally licensed companies, seven provincially licensed and nine reciprocal exchanges. A total of 2,801 agents was employed by these companies in Manitoba last year.

Underwriting experience in the five major classes of business compares as follows:

Ratio of Losses Paid to Net Premiums Collected

	1936 %	1935 %	1934 %
Fire	24.65	30.5	31.8
Automobile	54.36	57.5	46.8
Liability	10.34	50.0	31.0
Accident & sick.	46.09	65.0	53.0
Hail	34.50	55.0	33.0

Occidental Reinsures Guaranty Life Business

Occidental Life Insurance Co. plans to reinsure business of the Guaranty Life Insurance Co. of Davenport, Iowa, as soon as preliminary steps can be completed. Announced object of the merger is to provide Occidental with a local base of operation in the midwest states. Just what effect, if any, it will have on Canadian operations has not yet been revealed.

Growth of the Occidental Life in recent years has been marked. In 1936, assets increased 40% and insurance in force 39%. The Guaranty Life has $10.8 millions in assets, capital of $200,000 and net surplus of $155,251. Insurance in force amounts to $60 millions. After the merger, the Occidental statement will show more than $375 millions of insurance in force and $51 millions of admitted assets.

Survey Yearly Earnings Of Insurance Salesmen

How much does the average life insurance salesman earn in a year? This was the question which the Chicago branch of the Chartered Life Underwriters sought to answer by means of a survey, the results of which have recently been announced by E. M. Schwemm, of the Great-West Life, president of the organization. Admittedly, the figure is higher than for life insurance agents as a whole. Generally speaking, chartered life underwriters are considered the "cream" of the profession. Even so, the average earnings are surprisingly high.

Average income in 1936, according to the Chicago survey, was $8,510. Salesmen who devoted at least 25% of their time to managerial duties earned even more, $9,327. Those who spent all their time in straight selling netted $8,656.

Last year a similar study was made by the New York C.L.U's. Results showed that those engaged wholly in selling averaged $6,743 a year; those giving more than 25% of their time to managerial, supervisory or similar work averaged $8,500.

New Licenses

The following companies have received federal certificates of registry authorizing them to transact the classes of insurance named in addition to those for which they are already registered:

Home Fire & Marine Insurance Co. of California—Personal property.

Norwich Union Fire Insurance Society—Intentional or other damage to property of any kind.

National Liberty Insurance Co. of America — Falling aircraft, property damage caused by vehicles.

Eagle Fire Co. of New York — Property damage caused by vehicles.

Alliance Assurance Co.—Property damage caused by vehicles.

Atlas Assurance Co.—Property damage caused by vehicles.

Essex and Suffolk Equitable Insurance Society—Civil commotion, property damage caused by vehicles.

• • •

The federal department of insurance has licensed **Canadian Mercantile Insurance Co.** to transact in Canada: fire, tornado, sprinkler leakage and limited or inherent explosion insurance.

Public Utility Earnings

Mexican Light & Power

July:	1937 $	1936 $	Increase $
Gross earn.	745,740	483,506	262,234
Oper. exps. & deprec.	551,505	454,794	96,711
Net earn.	194,235	28,712	165,523
Seven months ended July 31:			
Gross earn.	5,125,575	4,489,369	636,206
Oper. exps. & deprec.	3,736,188	3,236,645	499,543
Net earn.	1,389,387	1,252,724	136,663

Note: — Earnings for July, 1936, were affected by strike.

Mortality Tables Mislead Critics

Use of Obsolete Figures Scored by Insurance Commissioner

Prominent life insurance executives endorse the statement of G. A. Bowles, Virginia Insurance Commissioner, that some of the mortality tables now in use are obsolete and do not reflect present-day trends. They do not agree, however, that solution of the problem is compilation of another table. Rather they believe that there already exist tables which provide the necessary accuracy. The problem resolves itself into weeding out the obsolete from the modern, and in insisting that the up-to-date experience be followed.

In speaking to the recent conference of the Association of Superintendents of Insurance, Mr. Bowles intimated that he will appoint a special committee of actuaries to investigate the situation and assured co-operation if Canadian superintendents cared to set up a similar body.

Tables Obsolete

"The use of figures gleaned from the gain and loss exhibits, particularly by unscrupulous and irresponsible persons, may well serve to create a false and misleading impression upon the public. And who can blame an unanalytical policyholder for being astounded and becoming resentful at the apparently enormous profits accruing to insurance companies from the so-called 'gain from mortality?'"

Rackets

Emphatic warning to investors against "tipster sheets" used by share pushers and stock swindlers in conjunction with "advisory services" and fake brokerage houses, is embodied in a bulletin issued by R. H. Neilson, manager of the Montreal Better Business Bureau. Some of Mr. Neilson's remarks:

"If you suddenly find yourself receiving regularly, free, a hitherto unheard of financial journal, which contains insidious propaganda on some stock, and you are simultaneously bombarded with literature or telephone calls from a brokerage house with which you have not previously dealt, or from something which masquerades as an advisory service; and if such literature or telephone calls try to high pressure you into buying the same stock the paper speaks of so favorably, you may reasonably expect that tipster sheet, advisory service and brokerage house are after your financial scalp.

"A tipster sheet in its simplest form may merely be sales literature put out by some questionable brokerage house under the guise of daily market comment, or it may be a newspaper. It has all the outward semblance of an independent and unbiased financial journal and no connection with any promoter can be discovered by scanning its pages.

"The tipster sheet will, as a rule, be well edited and its opinions sound —on all matters excepting the stock or stocks the crooked promoter may be engaged in unloading. Among the earmarks of a tipster sheet are that it has little or no paid for circulation and few if any advertisements."

• • •

Brokers Stuck

Numerous cases have cropped up recently, the Toronto Better Business Bureau reports, of individuals attempting to get "free rides" in the stock market, especially with mining stocks. Orders are sent in from distant points for stock to be delivered under demand draft, but if the stock goes down acceptance and payment of the drafts are refused on a plea of "misunderstanding" or "mistake." If the stock goes up and the purchase shows a profit, the draft is accepted and payment financed by a selling transaction through another broker.

• • •

Correspondence Schools

Warning that "any educational institution which features a guarantee should be absolutely avoided," is embodied in a recently published analysis of correspondence schools by A. R. Haskell, general manager of the Toronto Better Business Bureau. The method that betrays nearly all worthless and fraudulent correspondence school rackets, he points out, is the offering of a guarantee of employment or sale of products upon completion of the course.

Taking of either valid or fake courses usually involves signing of a contract and payment of fees ranging from $50 to $400, and prospective students should investigate carefully before assuming such an obligation, Mr. Haskell urges.

With a reasonable degree of investigation, Mr. Haskell suggests, it is possible to determine the reputable and dependable correspondence schools.

Sino-Japanese War Hits Paint Brush Output

One immediate effect of the "unofficial" war between Japan and China will be higher prices for bristle brushes. The chief world source of bristles is Tientsin in Northern China, a city at present coveted and occupied by the Japanese. Naturally the country surrounding this and other Chinese bristle centres is much disturbed and the supply of raw material for paint and other brushes has been seriously interrupted.

L. W. Simms, president of T. S. Simms and Co. Ltd. big Saint John brush company, in an interview with Canadian Paint and Varnish Magazine summarizes the present situation as follows:

"Some time ago there was probably one of the most determined buyers' strikes in business history on the part of United States and Canadian bristle buyers who were out to fight the steady rise in the price of Chinese bristles. For months orders were held up until supplies on hand had reached dangerously low levels. Then some buyers of necessity went into the market to replenish their stocks. Those who did then were fortunate. So far from coming down in price, bristles advanced considerably since that time, so that those early buyers are in a relatively better position than those who had to buy later and pay more."

NORTHERN LIFE OFFICIALS

H. L. Sharpe, left, and L. C. Bonnycastle, who have been appointed assistant actuary and assistant treasurer, respectively, of the Northern Life Assurance Co. In adidtion to actuarial responsibilities, Mr. Sharpe will have charge of the company's underwriting policy. Mr. Bonnycastle's work will be limited to investment policy.

Brass Binding on Keg First Canadian Money

Hudson's Bay Co. Traded Without Legal Currency for 250 Years

It is difficult today to envisage a country, or any substantial part of a country, where business may be carried on without currency. Yet the Hudson's Bay Co., with fabulous holdings of a million and a half square miles, traded for almost 150 years with no currency. For another century a dwindling proportion of its business was carried out through use of tokens.

As recounted by Douglas MacKay, who recently published a popular history of that organization in a recent issue of Canadian Banker, trading was effected on a barter system, using the beaver skin as a unit of value. The company shipped goods for trading from London to what later became a part of Canada as early as 1670. For these goods, the Indians simply traded their furs on a system which was much more convenient to both parties than currency.

From time to time, the governor and committee in England prepared a schedule of values for the various forts, factories and trading posts under the company's supervision. These schedules were drawn up in terms of "made beaver." Beaver was the accepted medium of exchange simply because it was the skin in greatest demand. One made beaver was worth a pound of black lead, or a half pound of beads or five hats, or a pound of Brazil tobacco. The beaver was also the unit of value for other furs.

Token Coinage

Some time in the 150 years before 1820, token of brass and copper came into use at the main forts. Crudely manufactured, these were made largely from the brass and copper bindings on the kegs and bales shipped from the Old Country. They were stamped HBC in a rough but effective manner, reflecting the art of the local carpenter. Circulation was restricted, and the tokens were generally returned to the trading post very shortly after they were issued.

Later tokens were issued for local use in brass with the company coat of arms on the obverse and the denomination—one-eighth, one-quarter, one-half and one made beaver—on the reverse. To more readily identify them they were stamped with the initials of the post, MF for Moose Factory, YF for York Factory, and so on. At the bottom of the tokens were the initials NB which bewildered late comers until it was discovered that they had been made in England and the NB was a typographical error for MB, denoting, of course, made beaver. Little is known of these early tokens except that they served as a temporary cheque which the native held pending receipt of trade goods for his furs. Their use survived in some areas as late as 1910, and odd ones still appear.

In the Mackenzie River district in 1890, a beaver skin was equivalent to 20 tokens, a bear to 20 tokens, ermine was cheap at a half token and silver fox was even then somewhat of a luxury at 150 tokens. The value of a unit skin during the 200 years following the company's organization varied only from 20 to 50 cents. Book value in 1890 was about 50 cents a token.

As early as 1820 conditions in some of the company's posts had changed to such an extent that more formal medium of exchange was felt to be necessary. At Lord Selkirk's early settlement where Winnipeg now stands, development had reached a stage where the company was led to issue a series of notes for use in the "Northern Department of Ruperts Land," which then included parts of Minnesota and the Dakotas. These were promissory notes in denominations of £1 and five shillings. They were to be used only in payment of money due by the company or for bills on London. Circulation at first was very limited, but after 1823 they were gradually introduced. Very close tab was kept on the notes to ensure that they were "legitimate."

With the surrender of Ruperts Land in 1870, the company's currency notes were redeemed by London, and from then on Canadian coinage was used in that area. The cancelled notes became casual curios for many years. When Fort Garry was demolished in 1893 it was found that one of the clerks in the service had amused himself by papering the walls of his room with the defunct symbols of a fur trade empire. Even now, the old notes are occasionally taken to the company headquarters by people who consider them of value either as money or as museum pieces.

Metropolitan Names Canadian Official

E. P. Arnautou, former manager of the Huntingdon Park, Los Angeles, district of the Metropolitan Life, has been appointed assistant superintendent of agencies. He will be associated with Freeman D. Smith, superintendent of agencies in the Canadian district.. Mr. Arnautou has been with the Metropolitan Life on the Pacific Coast since 1923.

128 Day
Empress of Britain WORLD CRUISE

30,000 MILES
VISITING—
MADEIRA
GIBRALTAR
ALGERIA
MONACO
FRANCE
ITALY
GREECE
PALESTINE
EGYPT
INDIA
CEYLON
STRAITS
SIAM
JAVA
BALI
PHILIPPINES
CHINA
JAPAN
HAWAII
CALIFORNIA
PANAMA

FROM NEW YORK • JANUARY 8, 1938

The world . . . the *whole* world . . . as you've always wanted to see it . . . Mediterranean ports, Palestine, Egypt, India and the Far East! 108 places. 57 days in port. Private trains. Join this "royal progress" round the world. It's the supreme travel experience.

Fares as low as *$2300 ($18 per day)* including exceptional shore programme. See YOUR OWN TRAVEL AGENT

E. F. Thompson, Steamship General Agent, Canadian Pacific Building, Toronto.

Canadian Pacific

See Revival Of Farm Plan For Jobless

Winter Placements May be Revived by Ottawa to Assist West

TRANSIENT PROBLEM

From Our Own Correspondent

OTTAWA.—The Federal Government is taking time by the forelock with respect to the approaching problem of winter relief and, in cooperation with the provinces, proposes to work out definite plans to meet a situation which, because of substantial economic improvement in the Dominion during the past 12 months, is expected to make considerably lighter demands than a year ago.

On the invitation of Hon. Norman Rogers, Federal Minister of Labor, delegations representing all the provinces will come to Ottawa during the present month. The respective requirements of each province will be discussed in detail. And suitable agreements to meet their needs, with full Federal support in the circumstances that warrant it, will be executed.

One of the main problems with which the Dominion is prepared to lend a helping hand in association with the provinces is the problem of the single, transient, unemployed who drift into the cities during the winter months. Already several municipalities, principally in the West, have addressed petitions to Ottawa for aid. Communications have come particularly from Alberta, where the Social Credit Government has evidenced an intention to compel the municipalities to treat these men as a local problem, without provincial assistance.

Farm Placements

The Federal Government, it is expected, will revive, for another winter, last year's farm placement scheme, which operated with such success.

Under the scheme the Dominion and Provincial Governments cooperated in offering inducements to farmers who were willing to employ a man over the winter months. The man received, in addition to his keep from the farmer, a monthly allowance from the Government. Under the scheme approximately 50,000 single homeless unemployed were placed last year and—a feature which was among the most satisfactory of the scheme's results—a substantial percentage of them remained in farm employment when the winter was over. The results of the plan were more than twice as effective as the old unemployment relief camps, which cared for approximately 20,000 men as a maximum, while the cost was only a fraction of that which the relief camps entailed. The cost to the Dominion of the farm placement plan was approximately $3 millions last year, whereas previously the cost of the relief camps over the winter used to run into the neighborhood of $10 millions.

Increase in Footwear

Output of leather footwear in Canada during the six months ended June 30, 1937, totalled 12,483,211 pairs, or an average per month of 2,080,535 pairs, compared with a total of 11,042,084 pairs, and a monthly average of 1,840,347 pairs in the first half of 1936.

You do not spend money when you buy LIFE INSURANCE — you invest it in Happiness and Security.

Why not become a member of the Sun Life Family today?

WORLD WIDE
SUN LIFE OF CANADA
SECURITY SERVICE
THERE'S A SUN LIFE POLICY FOR EVERYONE

Canada Vinegars Sales Well Maintained

Canada Vinegars Ltd. reports that sales have been well maintained in 1937. Outlook for the remainder of the fiscal year, which ends Nov. 30, is dependent on success of the vegetable crop which at present is good. The company states that it is prepared to handle all demands for vinegar from the pickling industry.

Canada Vinegars reported net profits equivalent to $1.23 a share on its common stock in year ended Nov. 30, 1936, almost exactly the same as in the preceding year but considerably lower than previous reports had shown. Last year's sales were satisfactory during the first six months but dry weather caused serious deterioration to the vegetable crop and prices of the company's products were affected.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Pine Falls, Man.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp
News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Are You Participating?

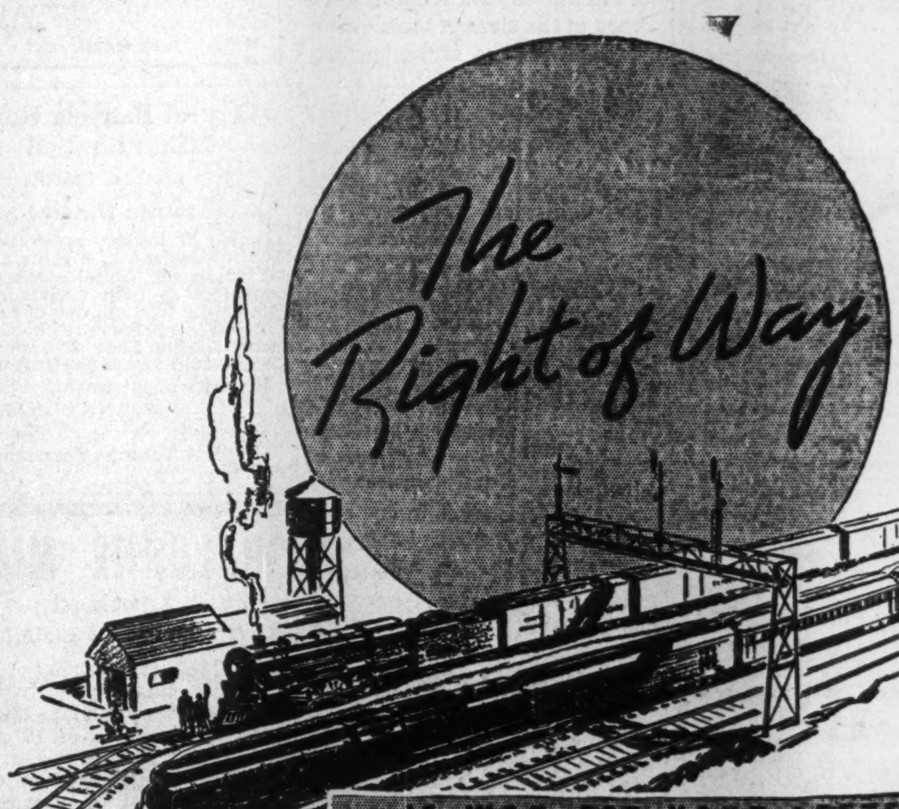
LAST year Northwestern Mutual distributed $1,143,727 in dividends to its policyholders. As a result the actual net cost of fire insurance on thousands of Canadian homes and businesses was substantially reduced.

Enquire of our Nearest Office.

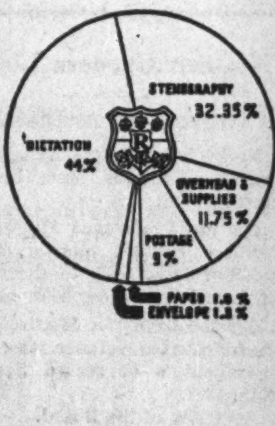
BRANCHES:
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax
Winnipeg
Saskatoon
Calgary
Edmonton
Kelowna
Victoria
Vancouver

NORTHWESTERN MUTUAL FIRE ASSOCIATION
Non-Assessable Policies Assets $6,000,000.

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA
AGENCIES:
EQUITABLE LTD., Calgary, Alberta
BUTLER BYERS BROS. LTD., Saskatoon, Sask.
McCALLUM-HILL AND COMPANY, LIMITED, Regina, Sask.
J. K. RINGLAND & COMPANY, LIMITED, Herald Building, Lethbridge.



. . . IS WON FOR YOUR LETTER by SUPERFINE LINEN RECORD



Canada's finest all-rag paper may cost a little more than the cheapest bond but the amount is insignificant, for the cost of the paper is the merest fraction of the total cost of a letter. For this trifling premium SUPERFINE LINEN RECORD gives priceless dignity and character to your letterhead — routes it directly and undelayed to the most inaccessible executive. It is invaluable for vital records both legal and commercial and has long been the choice of business leaders. Specify SUPERFINE LINEN RECORD. It builds prestige.

ROLLAND PAPER COMPANY LIMITED
HIGH GRADE PAPER MAKERS SINCE 1882
MONTREAL
Branch Office TORONTO, Ont. Mills at ST. JEROME and MONT ROLLAND, Que.

Banking

Exchange Equalization Acts as Balance Wheel

Radical Departure from Traditional Foreign Exchange Methods Arises from Breakdown of Gold Standard—Canada's Fund Inoperative

What is behind the secrecy surrounding operations of exchange equalization funds, the most radical departure from traditional foreign exchange methods to emerge from the breakdown of the international gold standard? Why were they created, and what do they do?

In Great Britain, the United States, Canada, the Netherlands, Switzerland and France, equalization funds are operating. On a smaller scale they exist in Argentina, Colombia, Czechoslovakia, Latvia, Mexico and Spain. Belgium had one but wound it up on Apr. 1, 1936.

All these funds are, basically, shock absorbers, maintained by governments to equalize the rates of exchange between their own and foreign currencies. An example is the British fund, created to equalize the rate between the pound sterling and the United States dollar and the French franc. If pounds rise in terms of francs or dollars, managers of the British fund sell pounds to reduce their price to a point where a certain parity of exchange is maintained.

Operations Are Secret

The element of secrecy is well illustrated in the case of the British fund, and applies with equal significance to those of other countries. A few years ago the British fund lost £75 millions in gold in 11 weeks. Had it been known at the time, the pressure against the account would have been extreme, but in making the admission, Sir John Simon added that deferred information regarding operations of a stabilization or equalization fund is possible, particularly when, as in the case of the British fund, the position has subsequently improved, and the possibility of large gold losses reduced. Six months now elapse before changes in the fund are made public.

The British fund, created in Apr., 1932, had as its initial resources £150 millions of treasury bills plus £25 millions transferred to it from the old "Dollar Exchange Reserve," an inactive government account. In 1933, at the time of the depreciation of the United States dollar, the fund received another £200 millions in treasury bills, which brought its total resources to £375 millions. A further £200 millions was added in June, 1937, bringing the fund to £575 millions.

Offsets Fluctuations

Its principal function is to offset short-term capital movements in a way that prevents these from affecting the cash basis of the domestic credit structure. An influx of foreign balances is met by the sale of treasury bills to the money market, largely to the commercial banks, and the sterling resources thus obtained are used to acquire foreign balances. The latter are offered in the exchange market and as a rule are subsequently converted by the fund into gold.

The process in the case of an outflow of funds is reversed, the fund selling gold and repurchasing, in effect, its treasury bills from the bank with the proceeds of the sales. In any event the cash held by the banks is unaffected, but when an influx of foreign balances occurs the process has the effect of increasing commercial banks holdings of treasury bills and deposit liabilities, and to cause declines in these when an outflow of funds occurs.

The Netherlands stabilization fund, created in 1936, has certain similarities to the British fund. Gold stocks of the Netherlands Bank were not revalued after the depreciation of the florin nor was the bank's statutory gold price changed. The fund instead was created by allocation of 300 million guilders in treasury bills, a third of which it immediately exchanged for gold at the Netherlands Bank, apparently to provide against an outflow of capital and undue depreciation of the currency.

The U. S. Fund

The "offsetting" principal of Britain and the Netherlands is the stabilization fund created by the United States. Set up in 1934, the United States fund of $2,000 millions consisted not of domestic currency assets but of gold at the new provisional parity and representing part of the profit on the book value of revalued gold stocks.

Yet only once, in 1935, was it necessary to support exchange by sales of gold, the treasury having financed its gold purchases by funds obtained from the Federal Reserve Banks by handing them gold certificates in amounts corresponding to its acquisitions of gold. In 1935, however, sale of gold reduced the fund $200 millions to $1,800 millions, where it has since remained. The United States later introduced its policy of "gold sterilization" and although in no way connected with the equalization fund it is an example of the "offsetting" policy adopted in other countries by special funds.

Sterilization of gold differs in no essential respect from "offsetting" operations of a central bank and a system similar to that of the U. S. was adopted by Argentina later in 1936, following the U. S. move.

The Argentine system also closely resembles that of Canada and Belgium. To offset an inflow of foreign funds, Argentina purchased gold with proceeds of short term issues made on the domestic money market, but there were clear indications that the Central Bank was following a neutralizing policy. The bank's foreign exchange holdings including gold held abroad, rose from 129 million pesos at the end of 1935 to 303 million pesos at the end of 1936, its gold stock remaining unchanged, while holdings of Government bonds declined from 235 millions to 19 million pesos in the same interval.

Canadian Fund Inactive

As in the case of the U.S., stabilization funds of Canada and Belgium were set up from profits on revalued gold reserves.

The Belgian fund of 1,125 million francs consisted of gold, never intervened in the market and in 1936 its resources were transferred to another Government department.

The Canadian equalization fund is likewise inactive. Created in 1935 from revalued gold profits of $63 millions it has never been used and cannot be used until a proclamation is made to that effect by the governor-general.

French and Swiss Funds

French and Swiss stabilization funds set up in 1936 are of greater practical importance. The French fund was allotted 10 billion francs in gold, part of a revaluation profit of 17 billions, and to the Swiss fund was credited the whole of a gold revaluation profit of 539 million Swiss francs. Neither fund had assets in national currency which they could sell in domestic markets so that influxes of capital forced them to pass on to their central banks any gold which they acquired.

Consequently the Swiss National Bank's gold reserve rose steadily to 2,709 million Swiss francs at the end of 1937, with little subsequent change, but French gold stocks after reaching 64 billion francs in October, 1936, declined to 57.4 billions at the end of last January, indicating that the French stabilization fund had been depleted and it had become necessary to call on the bank for additional gold to support exchange. In June of this year, the gold supplies of the French fund were entirely exhausted.

Based on figures appearing in the Monetary Review, 1937, of The League of Nations, principal stabilization exchange funds are as follows:

Exchange Equalization Funds

Fund	Created	Resources in millions of national currency	Resources in $ of old gold content in millions	Assets
British	April, 1932	£175	656	Treasury bills
(Increased)†	April, 1933	£375	1,127	Treasury bills
United States	Jan., 1934	$2,000	1,181	Gold
Belgian*	Mar., 1935	1,125 Bel. fr.	23	Gold
Canadian	July, 1935	$63	37	Gold
Netherlands	Sept., 1936	Florins 300	95	Treasury bills
Switzerland	Sept., 1936	Sw. fr. 539	73	Gold
France	Oct., 1936	Fr. fr. 10,000	275	Gold

†A subsequent increase in June, 1937, of £200 millions, brings the fund to a current figure of £575 millions.

*Wound up April 1, 1936.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Aug. 30 1937	Aug. 31 1937	Sept. 1 1937	Sept. 2 1937	Sept. 3 1937	Sept. 3 1936
Par						
U. S. dollar, High	1.00	1.00	1.00 1/32	1.00 1/32	1.00 1/32	......
Low	.99 31/32	.99 31/32	1.00	1.00	1.00	......
1936, High	1.00	1.00	1.00 1/32	1.00 1/32	1.00 1/32	......
Low	1.00	.99 31/32	1.00	1.00	1.00	......
U. K. pound	4.97 1/16	4.96¾	4.96⅝	4.96¾	4.96	5.03¾
Australia	3.98	3.97¾	3.97⅝	3.97 1/16	3.97 1/16	4.0214
Austria	.1890	.1892	.1889	.1889	.1889	.1890
Belgium	.1686½	.1685	.1684½	.1684½	.1685½	.1689½
Brazil	.0645	.0640	.0645	.0647	.0642	.0585
Czechoslovakia	.0349⅜	.0349⅛	.0349	.0349⅜	.0349½	.0413½
Denmark	.2219	.2219	.2217	.2216½	.2216½	.2251
France	.0374¼	.0374 1/16	.0373 15/16	.0373½	.0373	.0658½
Germany	.4017	.4020	.4017	.4016½	.4016	.4023
Greece	.0091½	.0091½	.0091¼	.0091½	.0091½	.0094¼
Holland	.5516	.5515	.5515	.5517½	.5517	.6790
Hungary	.1977	.1977	.1977	.1977	.1977	.1980
India	.3754	.3760	.3755	.3753	.3750	.3823
Italy	.0526¼	.0526¼	.0526¼	.0526¼	.0526¼	.0795
Japan	.2900	.2902	.2900	.2898	.2895	.2951
Jugoslavia	.0233½	.0233½	.0233½	.0233½	.0233½	.0229½
New Zealand	4.01⅝	4.01	4.01	4.00½	4.00⅜	4.0538
Norway	.2499	.2497	.2496	.2494	.2493½	.2533
Poland	.1894	.1894	.1894	.1894	.1894	.1889
South Africa	4.96½	4.96⅛	4.96	4.95 1/16	4.95⅜	5.0117
Sweden	.2564	.2562	.2561	.2559	.2558	.2598½
Switzerland	.2296	.2296	.2296½	.2297½	.2297½	.3260
Hong Kong	.3112	.3117	.3107	.3107	.3106	.3132

AUSTRALIA and NEW ZEALAND
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
(With which the Western Australian Bank & The Australian Bank of Commerce Ltd. are amalgamated)
Paid-up Capital . . . £8,780,000
Reserve Fund . . . 6,150,000
Reserve Liability of Proprietors . . . 8,780,000
£23,710,000
Aggregate Assets 30th Sept., 1936 . . . £115,150,000
A. C. DAVIDSON, General Manager.
780 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London. The Bank transacts every description of Australasian Banking Business. Wool and other Produce Credits arranged.
HEAD OFFICE: GEORGE STREET, SYDNEY.
London Offices:
29, THREADNEEDLE STREET, E.C. 2 | 47, BERKELEY SQUARE, W. 1.
Agency arrangements with Banks throughout Canada.

PIONEER GIVES A LESSON

George Hossfield, who established a new official world's speed typing record at the International Contest conducted by the Canadian National Exhibition, Toronto, August 28, times J. J. Seitz, pioneer president of Underwood Elliott Fisher Limited, who, despite his 75 years, can type a real fast minute test.

Current Loans Rise In July Statement

Feature of the July statement of the chartered banks is an increase of $6.6 millions in commercial loans, bringing the total at the month end to $735 millions, about $85 millions more than at the same time last year. July is the seventh successive month in which an increase has been registered.

Other important changes indicated in the statement include declines of $10 millions in investments and of almost $47 millions in demand deposits. Investment holdings, at $1,431 millions, are still $74 millions above a year ago, and current deposits, at $667 millions, are up $48 millions.

Comparative figures on more important items are as follows:

	July 31, 1937 $	June, 30, 1937 $	July 31, 1936 $
Reserve fund	133,750,000	133,750,000	132,750,000
Note circulation	113,363,675	112,992,378	119,071,107
Demand deposits	666,767,428	713,177,394	618,608,437
Notice deposits	1,572,154,385	1,569,815,485	1,493,973,647
Deposits outside Canada	427,482,612	425,279,262	376,010,075
Bank of Canada notes	43,587,078	43,418,059	36,024,280
Deposits with Bank of Canada	182,516,827	189,835,653	185,883,803
Govt. and other securities	1,431,232,432	1,441,959,495	1,357,393,987
Call loans in Canada	114,426,462	116,126,876	90,858,925
Call loans outside Canada	73,485,094	70,484,846	57,608,297
Current loans, Canada	734,888,808	728,290,407	649,772,815
Current loans outside Canada	158,463,301	158,661,756	146,623,341
Total liabilities	3,287,028,707	3,346,516,419	3,073,743,300
Total assets	3,298,936,480	3,358,508,958	3,083,526,785

Bank Chat

Commercial Loans

July banking figures afford a very good opportunity for comparison with a year ago. For in the composite statement of the chartered banks for that month in 1936 commercial loans were shown at the lowest figure in 29 years. The statement released from Ottawa this week shows a corresponding total of $735 millions, an increase of about $85 millions.

Bankers attribute the improvement, undoubtedly the feature of the year in banking, simply to general business gains and higher prices. Loans lagged far behind business during recovery and are only now beginning to make up some of the lost ground. Call loans are also about 25% higher this year, despite current dullness in security markets.

Prospects for further improvement in commercial loans are bright. True, grain loans may not be anything like their total in past years, but 1936 was also "slow" in this respect. Each month this year has added to outstanding commercial loans. While this is a record which may not be maintained for the remaining months, it is fairly well assumed that the year end will see the total at least $100 millions above the previous years.

• • •

Two-Dollar Notes

Life of a bank librarian is apparently just one question after another, many of them having no earthly relation to banking. However, there are a number of queries which call for a considerable amount of "digging" for a reply and which are of more than passing interest.

Caduceus, staff magazine of the Canadian Bank of Commerce, lists a few of the questions which are received by its librarian and the samples range all the way from derivation of "agist" to a query as to whether there was income tax in Canada before Confederation. One correspondent, with pardonable curiosity, asks for the history of the $2 United States bill, known as a "Jackass." The colorful name arises from the fact that the picture of a mule actually appears in the main part of the design. It was not so planned by the authorities, and it is not obvious to the casual observer. But when the note is turned upside down, what has appeared to be an eagle changes into a mule.

The clever engraving work was done by a disgruntled artist imported from England, in retaliation for a cut in salary after the job was partly finished.

• • •

Uneven Circulation

Canadian banks are permitted to issue notes in denominations of five and multiples of five. They cannot mint coins. Yet the Canadian Bank of Commerce, for instance, includes odd dollars and cents in the total of its outstanding circulation.

The explanation lies in the fact that there are still outstanding a few notes of the old Halifax Banking Co. later taken over by the Commerce, issued prior to Confederation. In 1871, the act providing uniform national currency also provided that $75 Nova Scotia currency should be equal to $73 Canada currency. This accounts in part for the fractional dollar amounts.

A further explanation for the odd amount in cents is to be found in specially designed notes prepared for use in the British West Indies. The Jamaica issue is in denominations of £1 and £5. Trinidad and Barbados currency is $5, $20 and $100, local currency. The equivalent of these currencies, added to the Nova Scotia currency, results in the odd circulation totals.

Travellers

Rt. Hon. Reginald McKenna, and **Mrs. McKenna,** accompanied by **Sir Edward Beatty,** president of the C. P. R., were visitors in Toronto last week. Hon. Mr. McKenna, whose home is in England, is a former chancellor of the exchequer and chairman of the Midland Bank.

New Agricultural Course

A two-year agricultural course designed especially for farmers' sons will be inaugurated at the Ontario Agricultural College at Guelph Sept. 20. The course has been prepared by Hon. Duncan Marshall, minister of agriculture, and Dr. G. I. Christie, O.A.C. president.

LOANS

This Bank will gladly grant Bank Credit to business firms or individuals to enable them to meet the demands of increased business. Men of experience and integrity are assured of worth while co-operation in the development of their business operations.

THE BANK OF TORONTO
Incorporated 1855

BT2537

U.S. Producing More Meats But Canadian Cattle Wanted

While United States expects to become again a net exporter of pork products apparently Canada's outlet in that country for beef cattle is still assured.

Although imports of meat by United States last year were the largest since 1929 the total was equivalent to only about 2% of the total domestic production and in cattle only about 1½%, Preston Richards writes in the official U. S. Agricultural Situation. As a result of much better feed crops in United States this year, particularly corn, Mr. Richards expects that American farmers will be able to provide the domestic market with full requirements in pork products and probably have some left over. This reverses the situation of the last two or three years when there were small imports of live hogs from Canada and canned ham from Poland.

Export of American pork products, however, is not expected to compete very seriously with the Canadian bacon trade with Great Britain due to the tariff preference and superior quality of the product from this country.

Of cattle, it is quite possible that increased feed supplies in United States will actually result in greater imports from Canada of feeder stock. Previous to the 1930 tariff there was a big annual import into the corn sections of the middle west for finishing purposes. This trade practically disappeared with the doubling of the tariff in 1930 but was again made possible under the 1936 United States-Canada trade agreement which halved the duty on a fairly generous quota of cattle. United States farmers, however, until this year were hampered by a lack of feed corn and other grain to take full advantage of the new source of feeder cattle.

Bank of Canada Weekly Statement

Balance Sheet

	Sept. 1 1937 $	Aug. 25 1937 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	148,414,558	146,395,933
Rest fund	743,716	743,716
Depos.: Dominion	25,056,469	26,365,074
Banks	191,200,381	176,421,280
Other	644,305	906,846
Total deposits	216,901,175	203,693,200
All other liabs.	3,346,081	1,762,270
Total liabs.	379,505,530	362,695,119
Assets		
Reserve: Gold	179,473,806	179,489,202
Silver bullion	2,565,286	2,558,553
Res. in sterling and U. S.	25,802,905	26,957,372
Other curr.	992	985
Total reserve	207,842,989	209,006,112
Subsidiary coin	138,036	167,312
Investments:		
Dom. govt. short	56,527,367	44,887,021
Other Dom. govt.	95,932,975	93,864,189
Other secs.	10,980,619	10,985,528
Total invest.	163,440,961	149,736,738
Premises	723,439	723,657
All other assets	7,380,104	3,061,900
Total assets	379,505,530	362,695,119
Reserve ratio	56.89%	59.70%

Bondholders Approve Peel St. Realty Plan

From Our Own Correspondent

MONTREAL. — Bondholders of Peel Street Realties at a meeting here approved the proposed reorganization of the capital structure of the company.

The plan provides for the waiving of past defaults on the bonds and the exchange of present 6½% first mortgage bonds on the basis of par for par for new 20-year income bonds. For the first 5 years the income bonds carry a coupon of 4% and thereafter 4½%. Bondholders also receive three shares of common stock for each $1,000 bond held.

Quebec Transport Firms Ask for New Regulations

From Our Own Correspondent

MONTREAL. — Uniform regulations governing motor transport operations in the Province of Quebec will probably be established as a result of requests made to the Quebec Public Service Commission by several transportation organizations. Arthur Lamarre, chairman of the commission, has announced that new regulations will probably be established in the near future.

The first step toward this goal will be the appointment of a special committee of officials of the commission and representatives of the railways and bus and truck concerns to study existing conditions.

Weekly Bank Clearings

	Sept. 2 1937 $	Change Year Ago %	Aug. 26 1937 $
Halifax	2,690,750	+ 6.0	2,280,247
Saint John	2,081,817	+18.5	1,895,250
Moncton	687.122	— 1.7	839,199
Sherbrooke	701.350	+11.9	723,502
Quebec	5,206,430	+23.2	4,445,032
Montreal	124,107,052	+20.5	94,835,833
Ottawa	16,123,203	—14.0	13,863,177
Kingston	546,098	+ 0.3	525,113
Peterborough	591,648	— 8.6	565,862
Toronto	133,831,070	+12.1	96,632,877
Hamilton	5,913,440	+32.7	6,403,510
Kitchener	1,044,852	— 9.8	898,220
London	2,731,866	— 2.2	2,357,173
Chatham	467,553	+70.5	468,007
Windsor	2,559,600	+ 0.5	2,957,257
Sarnia	386,480	— 5.8	444,639
Sudbury	1,362,785	+49.0	1,005,529
Brantford	838,169	+ 2.8	785,106
Fort William	695,125	— 8.9	720,670
Winnipeg	39,159,148	—41.0	30,773,601
Brandon	364,328	—18.7	306,617
Moose Jaw	589,984	—16.6	449,058
Prince Albert	374,464	+11.0	307,199
Edmonton	4,327,922	+10.9	3,474,334
Calgary	4,981,953	— 6.3	4,349,221
Medicine Hat	263,197	— 8.2	196,096
Lethbridge	572,194	— 7.1	463,795
N. W'minster	743,669	+10.9	717,068
Vancouver	18,955,228	—13.1	15,431,045
Victoria	1,699,811	— 1.5	1,556,549

IT'S THE TOBACCO THAT COUNTS—
WITH THE NEWLY PERFECTED Cork Tip VELVET SMOOTH
You who like tips will welcome the newly perfected cork tip, exclusive to Player's. It is a revelation of velvet smoothness.
Player's Please
20 for 25¢
Cork Tip OR PLAIN
TINS OF 50-55¢
IN PLAYER'S YOU GET Vintage TOBACCO

The name of
BARCLAYS
HAS BEEN ASSOCIATED WITH BANKING FOR NEARLY 2½ CENTURIES
BARCLAYS BANK (CANADA)
MONTREAL 214 ST. JAMES STREET
TORONTO 60 KING STREET WEST
1-2

ONTARIO

Ontario Elections—1937

FINAL NOTICE TO VOTERS

This notice applies only to the residents of the following Cities and Townships

Townships of Ancaster, Barton, East Flamboro, West Flamboro and Saltfleet.
Brantford
Belleville
Chatham
Fort William
Galt
Township of Gloucester
Guelph
Hamilton
Kingston
Kitchener
London
Township of Nepean
Niagara Falls
North Bay
Oshawa
Ottawa
Owen Sound
Peterborough
Port Arthur
Sarnia
Sault Ste. Marie
Stratford
St. Catharines
St. Thomas
Sudbury
Timmins
Toronto
Welland
Windsor
Townships of Sandwich West, Sandwich East
Woodstock
Townships of East York, Scarboro, North York and York.

If the Enumerator has missed you and your name is not on the Voters' List, you have one more opportunity.

To get it on you must ATTEND PERSONALLY unless unable to do so by reason of sickness, disability, or strictly unavoidable absence. In such case a relative by blood or marriage, or your employer may appear before the Revising Officer on your behalf.

Notice is posted in your sub-division of the time and place where the Revising Officer will sit.

WATCH FOR THIS NOTICE. Find out the place and the time to appear.

Make sure of your franchise. NO ONE CAN VOTE UNLESS HIS OR HER NAME IS ON THE LIST.

Issued under the direction of
I. A. HUMPHRIES, K.C.
Chief Election Officer for Ontario

D-2

Week in Mining

No International Reason For Mining Stock Action

Drop Seen as Largely Illogical Psychological Movement in Sympathy With Industrials

Although the sharp drop in mining stocks experienced in the past few days cannot be divorced from similar trends in the industrial market, it is nevertheless true that broad backgrounds behind these two classifications are entirely different.

The background of the industrial market at the present time is international in scope, and the result of what appears to be a very genuine war-scare. The background of the mining market is today largely a local one, and cannot logically be identified with the chaotic international scene. What international flavor mining prices have had in the recent past was due to the relation of gold prices to world economics, a link which has been, temporarily at least, severed.

Until the recent sharp break in mining stocks, it could be logically argued that the decline was more or less of a corrective trend, the inevitable reaction from an over-glutted market. This movement however, should surely have run its course by now. Any movement which would take O'Brien from a 1937 high of $13.25 to under $4 a share cannot be dismissed as merely corrective.

It can only be concluded then that the latest slump in mining stocks is little more than a psychological, sympathetic, yet unreasonable reaction to the internationally shaken industrial stocks.

In this there is some comfort. While markets may from time to time be temporarily motivated by illogical and unreasonable forces, the general and longer term trend of stocks generally has good grounds for its behavior.

Such base metal stocks, of course, as Noranda and International Nickel, both of which have experienced sharp declines in the past week, are motivated more directly by the international scare. During one day's trading recently, Noranda stock went without a bid, an almost phenomenal situation, although a short lived one.

"My Views, Right or Wrong"

The Northern Miner, a weekly mining paper of repute, wonders editorially why The Financial Post published recently as part of a series, an article by Sir George Paish, eminent economist, in which the author sets forth some views regarding the price of gold which were diametrically opposed to the trend of popular thought, and also, incidentally, opposed in several essentials, to views expressed editorially by this paper.

The Miner takes the rather surprising view that it would have been better if the article had not been published at all.

The Financial Post has no apologies to make to its readers or to The Miner for publishing the distinguished, if unorthodox, views of this economist. In the first place, the article in question was one of a series, to be eventually published in book form, for which The Post had obtained for its readers exclusive prepublication rights. This particular chapter formed an integral part of the forthcoming book, and could not logically be omitted, even had The Post wished to do so. And The Post did not so wish.

Moreover the very alacrity with which Canadian public men picked up the glove dropped by Sir George should be evidence enough to The Northern Miner that these men at least considered Sir George a worthy opponent.

Being sincerely convinced that the lengthy criticism of The Miner was not the result of editorial sour grapes, The Post can only liken the views of that paper to those of the man who walks out of church because the minister has expressed an opinion foreign to him, or with which he does not agree; or to the man who cancels his subscription to a periodical because that periodical has published views which disturbs the even tenor of his own.

Even The Miner surely must admit that there are other views on the gold question to those held by that worthy paper, and that only by intelligent absorption and digestion of such newsworthy views as well as opposite views, as those held by Sir George Paish, can one arrive at a worth-while conclusion oneself, on such an important matter. This is after all, one of the main services which a sincere newspaper or journal renders its readers.

* * *

Change in Crude Price

While at first glance the lower price schedules for Alberta crude oil put into effect on Sept. 1 last might appear to be bad news for the newly invigorated crude oil industry, oil operators are claiming, with apparent sincerity, that the lower price is a blessing in disguise, because of the fact that it widens materially the market for crude in western Canada.

Coupled with a considerable freight rate reduction, the new price schedule instituted by Imperial Oil and British American Oil, can logically be expected to have the effect suggested by the oil men. One of the most serious potential problems facing the growing oil production in Alberta was that of marketing. Even granting the feasibility of a pipeline to the Pacific or to the head of Great Lakes, on arriving at these points, Alberta oil would be faced with severe price competition, from the water hauled product on the pacific seaboard, and the Mid-Continent oil production to the east.

Anything which will enable Turner Valley to meet this competition, or which would widen the sphere in which this competition could be met, is good news for Alberta, and of course Canada.

* * *

Royalties Boon to Government

Oil production in Turner Valley is an important source of revenue to the Alberta Government, the total Government royalty revenue from the field being estimated at about $2,000 a day. The province does not collect a royalty from Royalite, Sterling Pacific No. 4 and Sterling Pacific No. 5, as these, the largest producing wells in Canada, are situated on land owned by the Calgary & Edmonton Corp. and not by the Provincial Government.

Richland No. 3, Turner Valley's latest producer, is claimed to be the largest crude well ever drilled with cable tool equipment in Canada, possibly in the British Empire. Present yield is about 500 bbls. of high grade crude daily. Two other Richland wells, Nos. 1 and 2, are being drilled by the Richland company in close proximity to the largest crude well in the Turner Valley field.

* * *

"Please Muzzle Kayaks"

A publicity and promotion man, connected with a Toronto brokerage house, recently took a trip into the Hudson Bay country. While in this far north area, his eye alighted on an eskimo boat, or kayak. Publicity minded, he thought what wonderful "color" this fragile boat would make in the window of his brokerage office in Toronto, so he bought it and took it to the train with him, leaving it to the tender mercies of the baggageman.

On the train, he started worrying about the safety of his purchase, and when the conductor came around, took him into his confidence.

"I have," he said, "an Eskimo kayak back in the baggage car. Do you thiink it will be all right?"

"Is it crated?" asked the conductor.

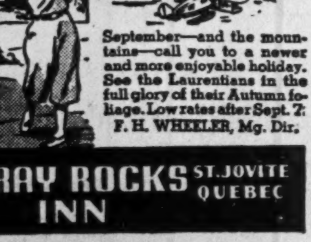
"No, it is just as I bought it."

"Well, it will have to be muzzled," curtly replied the conductor who had been travelling into the north for over a decade.

* * *

Index to Mining Stocks

Moving in line with industrials, the mining market showed price recessions and increased liquidation in the latter part of the week, following two days of modest gains on August 28 and 30. In consequence the Dominion Bureau of Statistics' index of 24 mining stocks declined from 144.2 for the week ending August 26 to 141.1 for the week of September 2. Outside factors related to the international situation still appeared to overshadow the market in general. Movements in the gold group were fractional and action remained in the junior issues. Base metals moved up from 264.3 on August 27 to 273.1 on the 31st, on comparatively light trading but closed the week down at 259.0. The monthly general index of mining stocks rose from 141.8 in July to 146.2 in August. The weekly index for golds receded 1.8 to 110.9 and the base metals 8.4 to 266.3.



September—and the mountains—call you to a newer and more enjoyable holiday. See the Laurentians in the full glory of their Autumn foliage. Low rates after Sept. 7.
F. H. WHEELER, Mg. Dir.

GRAY ROCKS INN
ST. JOVITE QUEBEC

New Fall Suitings and Overcoats
For Men who seek Distinction

Everywhere among well dressed men, Levy Bros. clothes are considered the best example of the high class tailoring art.

The new season's fabrics in great variety of color and weave, which make up the extensive assortment are quite in keeping with the fine reputation the house of Levy has established for itself.

Levy Bros.

69 West King Street, Toronto

Bralorne Seen At New Phase Earnings Rise

Good Grounds for Believing Dividend Rate of 80c Now Set

RESERVES UP

For the third consecutive quarter, Bralorne Mines, Bridge River, B.C. producer, has declared a dividend of ten cents, plus ten cent bonus.

In view of the company's present earnings' level, and the improvement noticeable in underground conditions, it is believed by observers that Bralorne has now fairly definitely placed itself on an 80 cent per annum dividend basis, although no rate has been officially set.

This assumption, although still an assumption only, is an important one in the history of this interesting producer, placing it on the highest dividend rate since the initial payment of 12½ cents per share on April 16, 1934.

Bralorne's dividend record since that time has been as follows:

Per Share Dividends

	1934 $	1935 $	1936 $	1937 $
Jan. ...	...	0.15	....	0.10+0.05
Apr. ...	0.12½	0.15	0.10+0.05	0.10+0.10
July ...	0.15	...	0.10+0.05	0.10+0.10
Oct. ...	0.15	...	0.10+0.05	0.10+0.10

In the company's annual report covering operations until the end of last year, Ira B. Joralemon, consulting engineer, estimated that the new dividend rate could be maintained without impairing surplus. That this forecast has been more than fulfilled, can be seen by the company's monthly production rate, and by the fact that net liquid reserves are now reliably reported to be in excess of $1 million. At the end of 1936, working capital amounted to $927,249.

Increased Grade, Higher Tonnage

Increasing grade of the richer ore mined during the past year, plus steadily increased tonnage handled, has, of course, been responsible for the improved earnings outlook. The company just two years ago was forced to pass its dividend. Moreover, new equipment is now being installed to bring the capacity of the mill up to 550 tons per day, as compared with an average of 442 tons per day in August. Increase of 100 tons per day in the amount of rock handled would, on the basis of the 0.48 ounces per ton grade averaged in August, increase gross income at Bralorne by about $1,680 daily. Adding still further to the encouraging circumstances in which this property finds itself is the fact that development on the 10th level has recently definitely established continuation of the important "59" vein, which had previously shown good values and widths on the 6th and 8th levels. Drifting is now under way on this vein. At the same time the new Crown shaft is being deepened to 450 feet below the 10th level.

Developments at Bralorne are going far toward definitely disproving the old theory that deposits in the Bridge River camp did not go to depth.

Developments at this property during the past year have obviously substantially increased the official ore reserve estimate made at the end of 1936, when 505,000 tons of 0.45 oz. gold was estimated, thus substantiating a forecast made early this year after a visit to the property by the mining editor of The Financial Post.

In view of all these factors, therefore, there are impressive grounds for believing that Bralorne Mines is entering a new phase of its producing career, a phase reflected in the apparently new dividend rate of 80 cents per annum.

The company has a comparatively low capitalization at 1,250,000 shares, of which, at the end of 1936, 1,247,000 shares were outstanding.

Buffalo Ankerite Output Again Up

August production of gold from Buffalo Ankerite Gold Mines, Porcupine producer, again broke previous monthly records, when gold to the value of $245,000 was produced from 30,392 tons treated. July production, the previous high mark, amounted to $232,592, from 29,515 tons.

This company's production for the first eight months of the year totals $1,789,604, as against $1,115,246 for the first eight months of 1936, and a total of 1936 output valued at $1,892,095.

Saskatoon Building

Building permits issued at Saskatoon, from Jan. 1 to Aug. 25, 1937, amounted in value to $170,216 as compared with $124,100 during the same period of 1936.

Mining Dividends

	Rate	Close Sept. 6	Yield %
Anglo-Huronian	20c	5.25	..
Beattie Gold	5c	1.29	..
Bralorne	40c+35c	7.85	*9.5
Buffalo Ankerite .	50c+12½c	10.37	*6
Bulolo Gold	‡1.50	24.50	..
Can. Malartic	†5c	1.25	..
Cariboo	10c	1.65	6.1
Central Patricia	8c	2.66	..
Coniagas	12½c	2.45	..
Coniaurum	5c	1.25	..
Cons. Smelters	50c+$1	79.00	..
Dome Mines	$2+$2	39.87	*1.0
Falconbridge	30c	7.50	4
Hollinger	65c+45c	12.00	*9.2
Howey Gold	4c	.35	..
Hudson Bay	75c	30.00	..
Island Mountain	‡5c	.70	..
Inter. Mining	45c	11.00	..
Inter. Nickel, com. .	$2	60.25	3.3
Kerr Lake	5c	.40	..
Kirk. Lake	‡3c	1.25	..
Lake Shore	$4+$1	50.00	*1.0
Lava Cap M.	10c	1.19	..
Little Long Lac	30c	5.10	..
Macassa	15c	5.50	2.8
McIntyre	$2	35.25	5.7
McKenzie Red Lake	4c	1.32	..
McKinley Sec.	5c	.45	..
Noranda	‡$1.75	60.38	..
Nor. Can. Mining ..	‡2c	.68	..
Nipissing	25c	2.45	..
Placer Develop.	‡60c	16.00	..
Premier	12c+4c	2.24	*7.1
Pioneer, B.C.	40c	3.95	10.1
Pickle Crow	40c	5.55	7.2
Reno	12c	.86	13.9
San Antonio	7c	1.45	..
Sheep Creek	8c+2c	.92	*10.9
Siscoe	20c+1c	3.75	*5.6
Sudbury Basin	†10c	4.15	..
Sullivan Cons.	†2½c	1.35	..
Sylvanite	20c+5c	3.20	7.8
Teck-Hughes	40c+5c	5.20	*8.6
Toburn	8c	2.30	..
Ventures	†12½c	7.80	..
Wright-Har.	40c+35c	6.90	*10.9

‡Interim. †Initial.
*Yield includes bonus.

News Concentrates

Dawson-White Gold encountered the main vein 197 ft. down in shaft sinking on its property in Sturgeon Lake area of Ontario. At this point a true width of 14 ft. was determined. Returns show one section 42 in. wide running $7.70 and another 16-in. section, at 230 ft. depth, running $47.60. Previous assays of the results obtained in the raise from the 100 ft. level were confirmed by rechecking. At the top of the drift, which previously had given a high-grade intersection in diamond drilling, three wall samples ran $2.10 across 16 in., $23.80 over 36 in., and $97.30 across 40 in.

Following results were secured on the recheck: $5.25 across 15 in., $18.20 across 14 in., $14 across 34 in., and $132.30 across 27 in. Drifting on the vein is progressing both ways on the 200 ft. level.

* * *

Eldorado Gold Mines Sept. 1 payment covering 75,000 shares at $2.15 under the agreement dated Nov. 24, 1936, has been made. Balance comprises underwriting on 23,000 shares at $2.40 per share, due Dec. 1; 25,000 shares at $2.40 due March 1, 1938 and 44,440 shares at $2.50 per share due June 1, 1938, and an option on 170,000 shares at prices ranging from $2.85 to $4 per share. Total issued capital now is 3,737,560 shares.

* * *

Fontana Gold Mines holding 20 claims in two groups, Duverny twp. of northwestern Quebec, is continuing shaft sinking at the property toward the 300 ft. objective determined on before underground operations began. Shaft was stopped at 175 ft. and a crosscut driven to the "A" zone, which was encountered about 60 ft. from the station. Drifting was carried a short distance in this material, and some finely distributed free gold was reported found in the quartz.

Crosscut was continued toward "C" zone, but it is understood that this was not met in the crosscut. When sinking is completed, lateral work will be resumed on two levels and further testing done on both "A" and "C" zones on the first level.

* * *

Lakeside Kirkland, formerly the Queen Label property in eastern Kirkland Lake area, now has a crew of 15-20 men, under supervision of E. B. Knapp, rehabilitating the plant and buildings. Company plans to dewater the No. 2 shaft and resume sinking from its present bottom of 100 ft. to 1,000 ft. mark.

Queen Lebel shareholders have approved winding-up of that company and the distribution of its assets. Assets, consisting of 1,000,000 shares of Lakeside Kirkland Gold Mines, will be distributed on the basis of 1 share of Lakeside for each 2 shares of Queen Lebel. Shares will be held in escrow until Lakeside Kirkland completes financing.

* * *

Morris Kirkland Gold Mines has entered into an agreement providing for the underwriting of 25,000 shares at 24½ cents a share, payment to be made immediately, and for an option on 175,000 shares at 24½ cents a share until Oct. 15, 1937.

* * *

Oliver Severn Gold, west of Kenora in Lake of the Woods area, is exploring two parallel high grade veins on its recently optioned group of claims. The veins are now being stripped, showing widths so far of 6—12 in. Some high assays were obtained in first sampling, but no systematic channel assay results are yet available. Attention is being given a conglomerate belt 40-50 ft. wide, in which quartz stringers occur. Visible gold has been noted in this showing.

* * *

Rochette Gold Mines, in Launay twp., Quebec, announced that a New York brokerage house is negotiating to take over a large block of the company's shares and that the deal will be closed as soon as shares of Rochette are registered with the SEC. Victor Cordlano, president, reports that necessary arrangements between the brokerage firm and Rochette Gold have been completed. The new interests will take up and distribute an unstated amount of stock in the United States.

Rochette plans to sink a shaft to 125 ft. to explore a narrow fissure vein from which drilling and surface work have returned encouraging gold values. Drilling has checked the extension of No. 1 vein between 175-400 ft. Officials report gold values in sections of quartz porphyry.

* * *

Shenango Gold is concentrating work at its Oba property in Algoma district on opening up ore underground. Shaft has so far been carried down 57 ft. Drift on the high-grade vein has started in two directions. Louis A. Normandin, president, states that additional milling equipment has been ordered to bring capacity to 80-100 tons daily. Mill feed will be secured from the ore in the shaft vein and underground workings.

* * *

Washington Gold Mines, in Joannes twp., Quebec, secured values of $17.92 and $25.76 per ton over width of 6 ft. in channel samples from a test pit on No. 2 vein, according to A. M. Gillespie, managing director of Hannam Exploration, in charge of operations. A grab sample from No. 1 vein returned high values in copper. No. 2 vein has been traced for 1,000 ft.

"Lighten Ship or Swim" Gist of Blaylock Attack

General Manager of Smelters Flays Mounting Tax Burden — Calls for New Outlook on Labor Questions

"Out of 7,000 men working for Consolidated Mining & Smelting Co., from 2,800 to 3,500 of them may be considered as working for the governments, and over 40% of all the assets of the company are expropriated in the same way."

The above statement was one of many arresting comments made in the course of an address on the "obligations of management" by Dr. S. G. Blaylock, vice-president and general manager of Consolidated Mining & Smelting Co., before the Canadian Chamber of Commerce at Vancouver this week.

Dr. Blaylock arrived at the above conclusion during an impressive attack on mounting taxation which, he said, has increased "to the breaking point." Today, a company operating in British Columbia pays in direct income taxes amounts up to 25% of its entire profits. On top of this there are sales and other taxes which bring this item to well over 30%. Depreciation and amortization allowances have been curtailed in a manner which increases income taxes by about 2%. Moreover, the remainder of the income eventually is paid as dividends, and becomes subject again to income tax on the individual holding the stock, and any other provincial tax which may be levied.

"Governments Must Face Facts"

"As many of the shareholders are in the higher brackets of the income tax," the speaker concluded, "paying frequently 30 or 40%, it is easy to see that 40 or 50% of the profits paid by a company like The Consolidated is confiscated for taxes, or, in other words, out of the 7,000 men working for The Consolidated, from 2,800 to 3,500 of them can be considered as working for the Government.

"Governments," continued Dr. Blaylock, "must be brought to face facts. It is doubtful if 5% of the population of Canada realize the cost of government in Canada today, the precipice we are being pushed toward. The next generation will blame the executive managements of our industries of today for failing to develop some kind of control over this expenditure. What type of control can be developed, I am not able to say, but I am satisfied that when the executive management of industry in this country, or let us say, the Canadian Chamber of Commerce, has found a solution, that, if by that time we have created the proper relationship in our industries with our workmen, a united commercial and industrial party will form an irresistible power which no government could refuse for long to consider."

Other points made by Dr. Blaylock on the subject of governments:

"The whole world has been upset, and it is not going to get over its indigestion until, one by one, governments come to reason, stop spending money they have not got, balance their budgets, and strain every effort to cut out all unnecessary expense.

"Canadians in the higher brackets pay higher taxes than are paid anywhere else in the world. That this is so is largely due to the astounding fact that the Dominion Government refuses to allow the provincial income tax to be deducted as a charge against the profits or income, and also that the provinces generally do the same regarding the Dominion taxes.

"There seems to be decided feeling among governments that they must get into business and industry in one way or another, and that they must order and control our very 'goings in and comings out.' I am inclined to think that we are very much overgoverned, and that it is going to be necessary to throw a lot of things overboard which the governments have been doing lest we sink the ship of Canadian industry.

"The whole question of industry and the state requires to be examined in a new light. The tendency in recent years has been to suggest that the state exists to prevent some monster known as industry from oppressing individuals known as the people. The folly of this must be apparent. The industries of Canada belong to the people. To no small extent their capital belongs to the insurance companies and other fiduciary institutions which directly represent masses of the people. On their operations depends the livelihood of no small percentage of our citizens. Their production is essential to the use of all the people and to the increase of the national wealth. We suffer today, and not without justice, for a certain failure of industry in past generations to realize that the profits of capital cannot safely be considered without full consideration of the profits of labor and of the nation."

Dr. Blaylock devoted a considerable portion of his address to discussing the subject on which he is considered to be pre-eminent in Canada, namely the obligations of management to labor. He pointed out that as in most cases 50% or more of the direct operating cost is labor, it must be to the company's advantage to have that labor as satisfied and efficient as possible.

Three Factors in Wages

"Unless industry does something of its own accord to bring about these better conditions, which it can easily do without any real out-of-pocket cost, I am sure that the various governments will feel called upon to pass legislation of one kind and another in an effort to secure more advantage for the working classes. I am satisfied that legislation would be one of the poorest and most wasteful attempts to accomplish the desired effect."

Dr. Blaylock believed that wages should be based on three things; first, the base wage should be such that a workman can provide for his family; secondly, a payment based on the efficiency of his labor, as an incentive, and thirdly, there should be a profit-sharing bonus.

The practicability of these three points were illustrated by the speaker with examples from the operation of Consolidated Mining & Smelting Co. at Trail, B.C., operations which were described in some detail in a recent issue of The Financial Post.

Wood Cadillac Mines—Aug. 29 installment of $9,750 paid under agreement dated July 29, 1937. Agreement comprised underwriting on 100,000 shares at 32½ cents on which final payment of $9,750 due Sept. 29, and an option on 700,000 shares at prices ranging from 40 cents to $1.55.

Toronto Lists Anglo-Canad'n

Holding and Exploration Company Has Widespread Interests

Stock of Anglo-Canadian Development and Holding Co., with widespread interests in Alberta oil fields, has been approved for listing on the Toronto Stock Exchange, trading having started in these shares on Sept. 7.

Anglo-Canadian was incorporated with an Alberta charter Nov. 2, 1934, with an authorized capitalization of one million shares, of which 681,050 were issued as of Aug. 9. Of these, 573,050 were issued for cash, netting the treasury $325,225, while 100,000 shares were issued to F. B. Byrne in consideration for his equity in one complete rotary drilling unit, the assignment of drilling agreement on Foundation well, and a two-thirds interest in Northwest Royalties Ltd.; 8,000 shares were issued as bonus in connection with a loan of $100,000 from Gray Byrne & Co.

Anglo-Canadian operates as a holding, investment, exploration and development company, participating in the development of the following associated companies in all of which it holds a considerable stock interest: Foundation Petroleum, Westflank Oil, Monarch Royalties, Prairie Royalties, Firestone Petroleum, Spy Hill Royalties, Frontier Royalties, Sundance Royalties, Coronation Royalties, and Drilling Contractors Ltd.

Together with its associated companies it owns 1,560 acres in south Turner Valley, and 6,400 acres in the Mill Creek Structure under permit. It has two producing wells, six being drilled, and three more on location. The company has, through its wholly owned subsidiary, Drilling Contractors Ltd., four complete sets of rotary drilling equipment in operation.

In its balance sheet submitted to the Toronto Exchange as at July 15, current assets are shown at $62,086. Shares in associate companies are carried at market quotations of $1,346,888. In the liabilities, a contingent amount is set aside, since the company is under obligation to sell up to 50% of the shares now held by it in Prairie and Firestone companies, and in the case the moneys realized in each of the associated companies are not sufficient to complete the wells now being drilled on those properties, Anglo-Canadian is to use the proceeds to continue drilling these wells in accordance with the agreements. Drilling Contractors Ltd. also has obligations to provide funds to continue necessary drilling in case money to be realized from the sale of shares from each of the four associated companies with which it has contracts, prove to be insufficient for the purposes.

The following are officers and directors of Anglo-Canadian: C. C. Ross, Calgary, pres.; A. K. Leitch, Vancouver, vice-pres.; F. P. Byrne, managing director; W. C. Egbert, Calgary, W. S. Campbell, Edmonton, directors.

Business Pause May Be Coming

But No Reason for Serious Recession Seen by A. E. Ames & Co.

A pause in the steady advance of general business which has been proceeding without an important interruption for three years would not be unusual, but nothing in the nature of a depression is being forecast, says the current investment letter of A. E. Ames & Co.

Stating that recent Canadian recovery has been based largely on revival of foreign trade, the letter says: "To the extent that Canadian business is dependent upon British and American conditions, there is no reason now to believe that any serious or sustained recession is in prospect."

Noting that several domestic factors in business recovery can assume increasing importance, the letter mentions rising prices for export staples, revival of building, the western drought and trade restrictions as possible directions for further improvement.

While there are numerous avenues by which Canadian business can be expanded over the longer term, it is stated that attainment of such expansion is "singularly dependent upon stability abroad and more diversified revival at home."

Starch Mill

F. W. Pirie Ltd. has commenced construction at Grand Falls, N.B., of a second potato starch and flour mill, which, it is expected, will be in operation not later than Oct. 15.

Need ENVELOPES?
PHONE
DOMINION ENVELOPES LTD.
130-150 DUCHESS ST., TORONTO.
We have them all Kinds
ELGIN 7271

Speed Up!
Modern, efficient and reliable office equipment means more time and more money to you. Isn't it time to clean up, dress up and speed up?
OFFICE SPECIALTY MFG. CO.
NEWMARKET, CANADA

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

Asbestos Up 57% in Quebec

Leads Rising Metal Output in First Seven Months

From Our Own Correspondent

QUEBEC.—Asbestos production in the Province of Quebec is climbing sharply, since the total produced for the first seven months of 1937 shows an increase of 57% over figures for a corresponding period last year.

Official figures issued by the Bureau of Mines show that 232,940 tons of asbestos were produced in the province for the first seven months of 1937, as compared with 148,130 tons for a similar period last year.

Gold was also on the up-trend for the seven-month period, there being an increase of 22,000 ounces, or practically 5%, but silver was disappointing, the 1937 production being approximately 26,000 ounces less than for the first seven months of 1936.

Clay products, lime and cement were up for the seven-month period, and also for the month of July alone, as compared with July, 1936.

Silver was the only item in which any decrease was recorded, there being a sharp drop in silver production during July, when but 61,285 ounces were produced, as against 140,010 ounces for the same month last year.

Comparative figures for July, 1936 and 1937, together with the seven-month periods follow:

	July 1937	July 1936	Seven Months 1937	Seven Months 1936
Asbestos, tons	35,194	27,749	232,940	148,130
Precious Metals:				
Gold, ounces	58,784	56,768	399,041	377,128
Silver, ounces	61,285	140,010	394,178	420,931
Building Materials:				
Clay products	$130,703	$83,963	$517,642	$342,310
Lime, tons	12,567	11,196	94,633	72,415
Cement, barrels	333,014	279,215	1,292,945	1,045,784

Options

Admiral Cadillac (Quebec) Gold Mines—Que. incorp. July 27, 1937. H. O., Montreal. Auth. cap. 20,000 shares, $1 par.

Algray Mines (Quebec) Ltd.—Que. incorp. Aug. 5, 1937. H. O., Arntfield, Que. Auth. cap. 375,000 shares, $1 par.

Allison Base Metal Mines—Ont. incorp. Aug. 18, 1937. H. O., Toronto. Auth. cap. 90,000 shares, $1 par.

Dorex (Quebec) Ltd.—Que. incorp. Aug. 28, 1937. H. O., Bousquet twp., Que. Auth. cap. 90,000 shares, $1 par.

Dunford (Quebec) Mines—Que. incorp. July 23, 1937. H. O., Rouyn, Que. Auth. cap. 20,000 shares, $1 par.

Farlinger Mining Syndicate—Ont. incorp. Aug. 13, 1937. H. O., Sioux Lookout. Auth. cap. 35,000 shares, $1 par.

Gold Quartz (Quebec) Co.—Que. incorp. July 30, 1937. H. O., Courville twp., Que. Auth. cap. 90,000 shares, $1 par.

La Sarre Exploration Co.—Que. incorp. July 30, 1937. H. O., Montreal. Auth. cap. 100,000 shares, $1 par.

Lone Silver Gold Mines—B. C. incorp. Aug. 23, 1937. H. O., 501 Royal Bank Bldg., 675 Hastings St. W., Vancouver, B.C. Auth. cap. 125,000 shares, $1 par.

Molybdenite Corp. of Canada—Que. incorp. Aug. 7, 1937. H. O., Montreal. Auth. cap. 1,000,000 shares, $1 par.

Niagara Gold Mines—Que. incorp. July 23, 1937. H. O., Rouyn. Auth. cap. 90,000 shares, $1 par.

Nicepor Mines — Ont. incorp. Aug. 13, 1937. H. O., Toronto. Auth. cap. 100,000 shares, $1 par.

Quebec Gold Spar Holdings—Que. incorp. Aug. 28, 1937. H. O. Senneterre, Que. Auth. cap. 90,000 shares, $1 par.

Sladen (Quebec) Ltd.—Que. incorp. Aug. 11, 1937. H. O., Montreal. Auth. cap. 20,000 shares, $1 par.

Stanich Gold Mines—Que. incorp. July 21, 1937. H. O., Quebec, Que. Auth. cap. 3,000,000 shares, $1 par.

Tondon Porcupine Mining Syndicate—Ont. incorp. Aug. 13, 1937. H. O., Toronto. Auth. cap. 35,000 shares, $1 par.

Extra-Provincial Company

Northern Canada Mining Corp.—B. C. registration Aug. 20, 1937. H. O. in B. C., c/o Reid, Wallbridge, Gibson & Sutton, 525 Seymour St., Vancouver, B.C. H. O. without the province, 44 Victoria St., Toronto, Ont. Attorney in B. C., W. A. Sutton.

Clark Gold—Is advised by R. S. Douglas, in charge of operations at its Dyment property in Kenora district, that 35,000 tons of ore have been blocked out on the 125-ft. level. Additional tonnage has been indicated by diamond drilling, but no estimate is given. Shaft is to be deepened to 500 ft. and three new levels opened at 250, 375 and 500 ft. A small mill is to be installed to treat the high grade ore from drifting operations. In addition to the Kenora property Clark Gold holds 1,200 acres in the Goudreau camp, adjoining the Cline property, and on this group diamond drilling is being done.

* * *

Wakami Gold Syndicate—Working a property in the Horwood Lake area, has contracted for a minimum of 1,500 ft. of diamond drilling, with a probable maximum of 3,500 ft. Drilling will be done to check up the quartz vein recently uncovered. Vein is about 30 ft. wide and is reported to carry interesting gold and silver values. Drilling will also be carried on to test other occurrences on the holdings.

Style YOUR FLOORS WITH
DOMINION Battleship LINOLEUM
BOYS SHOES

CUSTOM-BUILT
to your own specifications . . .

Whether you operate a retail store or do business in an office, Dominion Battleship Linoleum will put individuality, as well as permanence and ease of upkeep — into your floors. Choose from no less than 21 colours and effects to be laid with or without border or in any tile or special design you desire. Ask any flooring contractor or large department store about our 5-year guarantee.

DOMINION OILCLOTH & LINOLEUM CO. LIMITED
MONTREAL

HOW MUCH OF YOUR OVERHEAD IS UNDERFOOT?

IN THE SMART EAST 50's
OPPOSITE THE WALDORF-ASTORIA

● Ideal environment and every service for pleasurable living. Spacious rooms with serving pantries and electric refrigeration. Excellent restaurant and duplex cocktail lounge ● air conditioned.

SINGLE $4 · DOUBLE $6 · SUITES from $8
Special monthly and yearly rates

The Beverly HOTEL
Wm. A. Buescher, Manager
125 EAST 50TH STREET · NEW YORK

Notwithstanding

that experience has proven failure to make a Will one of the greatest mistakes a property owner can make many neglect this duty. If you have no Will there is a possibility of trouble and loss for your heirs which you can prevent by taking proper precaution now. Consult your lawyer and our Estates Department. He will draw your Will—we will act as Executor and Trustee.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

We Manufacture
Envelopes
for every purpose
Barber-Ellis of Canada, Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

Normetal Mining Corp. Sells 115,000 Shares

From Our Own Correspondent

MONTREAL. — Normetal Mining Corp. has advised the Montreal Curb Market that 115,000 shares of treasury stock have been issued at 75 cents a share under the terms of the underwriting agreement. The issued capital now stands at 3,453,118 shares and 304,362 shares remain underwritten at 75 cents a share.

NORTHERN CANADA MINING CORPORATION LIMITED
New mines financed, managed and developed to production.
44 Victoria Street, Toronto, Can.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

To The Travelling Public:
HOTEL LONDON
London, Ontario
Rates for Rooms as Follows:—
Single room without bath, $2.50; running water and toilet.
Single room with shower, $2.75.
Single room with bath, $3.00.
Single room with tub and shower combination, $3.50.
Double room without bath, $4.00; running water and toilet.
Double room with bath, $4.50.
Double room with tub and shower combination, $5.00.
Twin bedrooms with tub and shower combination, $5.50.
Soliciting your appreciated patronage,
H. F. STRUCKETT, Manager.

Investors' Chronicle
6d. Established 1860 6d.
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post card application to:
THE PUBLISHER, INVESTORS' CHRONICLE,
20, BISHOPSGATE, LONDON, E.C. 2, ENG.

New Crude Price Seen As Aid to Marketing

Freight Concessions Also Help Market for Turner Valley Product

JULY OUTPUT

From Our Own Correspondent

CALGARY. — Extension of the marketing area for Turner Valley crude and naphtha into Saskatchewan, Manitoba and parts of British Columbia, made possible by a reduction in the price paid for Turner Valley products by the distributing companies, and by freight rate concession is considered to have eased Alberta's marketing problem for an indefinite period.

Since Turner Valley came into being as an oil field in 1914 with the completion of the Dingman discovery well, oil companies have experienced no difficulty disposing of their product. The demand has always greatly exceeded the supply. During the past few months, however, when oil production increased to more than 8,000 barrels a day, it was evident that a market saturation point was in sight and that valley oil would have to be shipped farther eastward and westward. Oil companies were concerned about the situation which would exist upon the completion of some 35 wells now drilling in the valley, 25 of which are scheduled to be completed before the end of this year. All these wells are located in the prolific crude area of the valley and the majority of them can be expected to yield at least 400 barrels a day on steady production.

Willing to Accept Less

Thus Turner Valley companies were willing to accept less for their crude and naphtha provided some assurance were given that a market would be available. This has now been assured. Crude prices, as far as oil producing companies are concerned, have been cut by Imperial Oil, and the British American Co. (the leading distributors) from 19 to 39 cents a barrel depending upon the gravity.

Even with these cuts in operation, however, Turner Valley operators will receive a good price. Most of the crude now produced is about 48 degrees gravity. Under the new arrangement this will mean a price of $1.52 per barrel. In the case of Turner Valley Royalties, still yielding approximately 1,000 barrels daily, this will mean a daily gross revenue of more than $1,500 a day.

Extension of the market for Turner Valley products throughout the West will be an immediate cut in the importations of crude oil from Montana, according to Herbert Greenfield, former premier of Alberta and now president of the Oil and Gas Association of Alberta.

Mr. Greenfield said Turner Valley producing companies were glad to take a "wallop" in so far as the reduction of crude prices were concerned as long as a market was assured.

Following is the new scale of prices payable by Imperial Oil and British American for Turner Valley crude and naphtha, effective Sept. 1:

New Price Schedule

	Price per brl.
Clear naphtha and discolored naphtha, (a product of 65° A.P.I. gravity and higher)	$2.36
Discolored naphtha and crude oil per barrel:	
40-40.9 A.P.I. gravity	$1.36
41-41.9 " "	1.38
42-42.9 " "	1.40
43-43.9 " "	1.42
44-44.9 " "	1.44
45-45.9 " "	1.46
46-46.9 " "	1.48
47-47.9 " "	1.50
48-48.9 " "	1.52
49-49.9 " "	1.54
50-50.9 " "	1.56
51-51.9 " "	1.58
52-52.9 " "	1.60
53-53.9 " "	1.62
54-54.9 " "	1.64
55-55.9 " "	1.66
56-56.9 " "	1.68
57-57.9 " "	1.70
58-58.9 " "	1.72
59-59.9 " "	1.74
60-60.9 " "	1.76
61-61.9 " "	1.78
62-62.9 " "	1.80
63-63.9 " "	1.82
64-64.9 " "	1.84

Note:—Effective at the same time, the prices of the products of natural gasoline plants will be $2.16 per barrel for a product having a Reid vapor pressure of 20 pounds and $2.30 per barrel for a product having a Reid vapor pressure of 17 pounds.

All of the prices above noted are f.o.b. producers' tankage.

Thompson-Cadillac Shares Being Taken Up

From Our Own Correspondent

MONTREAL.—Thompson Cadillac Mining Corp. has advised the Montreal Curb Market that in accordance with the terms of the option agreement dated July 31, 1937, covering 450,000 shares of its capital stock, a further 10,000 shares at 45 cents per share have been taken up. A total of 350,000 shares now remains under option and 3,198,000 shares are now issued and outstanding.

Asbestos Assay Gives Promise

From Our Own Correspondent

WINNIPEG. — Assays to hand from the first samples sent to Widdowson, B.C., of the Asbestos find recently made on the east shore of Lake Winnipeg by J. J. Papineau, field man for the Apex Molybdenite syndicate indicate a find of importance. Asbestos of the samples sent to the B. C. assayer show 32.72% asbestos, carbonate of magnesia and lime 45.59% and various other minerals. Gold is present to the value of $2.10 per ton. Eastern interests have a man looking the property

Star Lake Mines Again Makes News

From Our Own Correspondent

WINNIPEG.—Star Lake Mines is coming to the fore again. A crew is now dewatering the shaft, better known as the Penniac reef, and another crew is engaged in diamond drilling the property. Penniac Reef was one of the first producers in this district 40 years ago and at various times since then has been in the limelight. Owing largely to the disclosures made by several months of intensive exploration, work on the Sunbeam Kirkland property, which has apparently brought to light the existence of an important ore body long suspected but never found, properties in the immediate neighborhood are now receiving some attention. Some staking has been going on within the last week, some of the older properties which lapsed years ago having been restaked. Star Lake believes that with a combination of diamond drilling and some shaft work, an interesting ore body may be found on the old Penniac.

Ore Situation At God's Lake Said Improved

Now 1,100 ft. of .45 oz. Ore, R. J. Jowsey Reports

GOOD WIDTHS

From Our Own Correspondent

WINNIPEG. — "We are all very well satisfied with the manner in which God's Lake is shaping up," said R. J. Jowsey, president of the company, following a visit to the property, in which he was joined by H. R. Drummond-Hay, Winnipeg, vice-president, and Theodore Kipp, director. The ore shoot on the fourth level, the deepest in the mine, is standing up well. There is now 1,100 feet of ore which averages around .45 ozs. per ton for full drift width and, Mr. Jowsey explained, there are many places in which the ore body is apparently much wider than the drift.. It has not been possible yet to form any accurate estimate of the actual amount of ore put in sight. But raises are now being put in from the fourth to the third level and in places the vein is being slashed out to full width.

At the time Mr. Jowsey and associates were at the property, Hon. Thomas A. Crerar, Dr. Chas. Camsell and John E. Hammell were also visitors, these three making an inspection tour of Northern Manitoba properties which included Herb Lake where the Laguna Gold mine is operating, Sherritt-Gordon and Flin Flon. From there the party will visit northern Saskatchewan properties and eventually reach the Pacific coast where sessions of the western section of the Canadian Institute of Mining and Metallurgy will be attended.

Pacalta's Assets Improve As New Stock is Listed

Additional shares of Pacalta Oil, resulting from the increase in the company's authorized capitalization from two to three million shares, have been listed on the Toronto Stock Exchange, trading having started Sept. 1.

At the close of the company's fiscal year, April 30, 1937, liquid and fixed assets, consisting principally of cash on hand, plus investments at cost, have increased since the last annual report from $20,249 to $117,843. The company is also having a test well drilled on the Battleview structure, near Vermilion, Alberta, all of which is held by the company either directly or through stock or royalty interest in other companies on the structure. This well is now at a depth of 1,871 ft. From 1,871 to 1,894 ft., a porous oil sand was cored for 22 ft. which showed heavy saturation of crude oil, accompanied by heavy flow of gas estimated by the superintendent in charge to be in excess of ten million cubic feet. As soon as the cement job has been tested, the well will be drilled to capacity.

Companies associated with Pacalta Oils in the development of the Battleview structure are Battleview Oils, of Toronto, South End Petroleums, Vancouver and Vanalta Oils of Vancouver.

Discovery of this new crude oil field on the Battleview anticline in Alberta is regarded by the management as being of paramount importance to the company. It was in order to finance further developments on this structure that the capitalization was increased. Arrangements have been made to dispose of 700,000 shares of the new issue to net $155,000, which, together with funds now on hand, is considered by W. F. Hynes, managing director to carry out the proposed programme.

Turner Valley Interests

Pacalta No. 1 well in Turner Valley is still producing naphtha although production has dropped considerably. The company is receiving a steady revenue from this source. It is proposed to have this well cleaned out, acidized and possibly deepened.

Pacalta No. 2 well, known as South End Petroleum No. 1 in southwest Turner Valley, in which Pacalta Oil has a 50% interest after payment of operating costs and reserve royalty of 35%, is drilling at 5,200 ft. The lime is expected to be reached at around 5,600 ft.

Officers of the company are Raymond F. Whalen, Vancouver, president, W. F. Hynes, Vancouver, secretary, Elmore Meredith, Harry G. Carter, both of Vancouver, directors.

Of the three million no par value capitalization 1,999,840 shares have been issued.

News Concentrates

Bourlamaque Gold reports that its programme of diamond drilling includes a series of short holes to prospect the various showings on the ground. The Clark vein, which consists of a series of quartz lenses in a wide shearing, is being stripped and test-pitted. A sample taken on the surface of one of these lenses ran $3.50, the vein giving value of $6.50 after drilling to a depth of 3 ft. Width has also increased from 6 ft. to about 10 ft. Drill is being set up to cut this section at about 200 ft. depth. Company plans to test-pit a vein located on claim No. 50111 and begin stripping to locate its length.

• • •

Capps Gold has filed and registered with the SEC at Washington an underwriting agreement covering 200,000 shares, which will be offered publicly at 50 cents per share. Proceeds from the sale of shares will be used for mill construction and further mine development.

• • •

Abbeville Gold reports that favorable results are being obtained on two zones, one in the southern part of its claims and the other in the northeastern section near Senator Rouyn, which Abbeville adjoins. A vein has been located on the southern ground which returned encouraging results after surface sampling. Highest assay was $100 gold per ton, with a second sample running $9.

• • •

Yama Gold Mines is advised by Dr. H. G. Way, consultant, that No. 2 hole in its Larder Lake holdings cut heavy mineralization at 452 ft., and that this continues strong to the present depth of 472 ft. A test sample of schist from 64-66 ft. ran $4.20, this being the only sample so far taken at this horizon. The hole is continuing to approximately 550 ft. to cut the porphyry zones.

Yama is capitalized at 3,500,000 shares. 400,000 shares have been issued to the public and 1,100,000 shares allotted and issued to vendors. Vendors' shares are pooled for two years from March 9, 1937, or as may be directed by the Ontario Securities Commission.

Your Mining Stocks

The Financial Post offers to subscribers a special mail service of information on Canadian mining securities. Letters of general interest will be published anonymously.

The Financial Post undertakes to supply *facts* about mines rather than opinions. We will not select lists of stock for investment nor make forecasts. We cannot answer enquiries by telephone or telegraph.

The service is confined strictly to regular subscribers

A three-cent stamp and address label from The Financial Post must be enclosed. Address The Financial Post, 481 University Ave., Toronto 2.

South McKenzie Island

I have some shares in South McKenzie Island and have heard nothing of developments for a long time, nor have I seen the stock quoted. Please enlighten me.

South McKenzie Island Gold Mine stopped work on its property adjoining Gold Eagle in the Red Lake area last fall and has not, as yet, resumed it. The initial work was not encouraging and it was decided last fall to mark time pending results on neighboring property. These results have not been encouraging either and the company, we understand, has no plans for the immediate future. There is understood to be some cash in the treasury, but the exact amount has not been made public. In the meantime there is no market for this stock as far as we are aware. Its early promotional background was far from satisfactory.

Don Rouyn Gold Mines

Please give me as much information as possible on Don Rouyn Gold Mines, including directors, holdings and activities.

Don Rouyn Gold Mines owned 2,000 acres in Don Rouyn, Rouyn and Dufresnoy Townships of Quebec. The company has been inactive for some years, and the last known address is 145 St. James St., Montreal.

Officers and directors as at 1923 were: Dr. F. J. Pattie, president; R. L. Blackburn, vice-president; Hon. H. H. Stevens, Col. D. R. Street, J. D. Ross, W. J. Hamilton, E. J. McVeigh, directors. The company was capitalized at $5 millions of which $3,598,530 were issued as at 1925. The shares had a par value of $1. We know of no market for the shares.

High Tower Oil

Please advise me if the stock units of one preferred and one common in High Tower at $12 per unit are a profitable and sure investment.

High Tower Oil & Refining Co. has continued to pay preferred dividends, but last year halted payments on common. The company has not yet given complete financial details of its position and earnings, and so shares hardly fall in the category you mention. The company's assets consist to a large extent of oil royalties in American fields, and the value of such royalties can only be determined by those who are intimately acquainted with the individual properties. Even then, it should be remembered that part of the income from oil royalty investments consists of a return of capital, because the oil wells do not last forever. We do not know of an active market for the shares.

North West Minerals

Is North West Minerals still active? Has this company facilities for any widespread exploration or development programme?

North West Minerals is this season carrying on active work in northwestern Canada and has two parties in the field. These groups will remain until the freeze-up, one in northern Saskatchewan and the other in the North West Territories. The company has sold five groups in the Gordon Lake area for cash and a stock interest, and this summer carried out work on all five groups.

Assessment work is being done in the Goldfields area where diamond drilling was done last spring. The company is also carrying on surface exploration on its group of eight claims south of the Argosy Mine in the Red Lake area of Ontario. The company reports that it has no liabilities outstanding, and that at the present time current assets are approximately $20,000, made up of cash, accounts receivable and a firm underwriting.

It is true that larger companies of this type are able to prospect greater areas through the use of airplanes, and are also able to stake claims adjoining those upon which a smaller company may have made discoveries of interest.

However, it appears that North West Minerals is active and has a fair position financially considering that it is not a large concern.

Hiawatha Gold Mines

Will you please advise us what information you have on Hiawatha Gold Mines, Ltd.?

At last report, Hiawatha Gold Mines, after surface development, and diamond drilling, planned to start shaft sinking on its property some thirty-five miles south of Oba, Ontario. While we have seen no engineer's report on the results, company officials claim that they have been fairly encouraging. To date the company has spent in the neighborhood of $55,000 on the property and has set aside an additional $75,000 for the underground work programme. Initial operations will be by Diesel power.

This property is still an out-and-out prospect, and is in an area which has not as yet produced any major mine.

Canadian Slate Products

Please give me a report on Canadian Slate Products. I hold a little of this stock.

Canadian Slate Products is developing a slate deposit near Madoc, in eastern Ontario. One of the difficulties facing this company has been the scarcity of skilled slate cutters in Canada. The company owns approximately 54 acres near Madoc and has leased 217 acres for 99 years. There is a five-year mortgage of $5,500 outstanding against the owned property.

Early this year, production was in progress on a small scale, with preparations being made for carrying on larger operations. It would appear to us that the future of the company depends largely on its success in providing finances, as its liquid assets are low at the present time. The company is capitalized at 1,000,000 shares. Up to the time of writing, the company had sold $585,000 shares, this amount including vendors' stock and the stock offered to the public.

Canadian Slate Products has about 415,000 shares still in the treasury, and it intends to distribute 15,000 shares as a bonus and to sell 50,000 of the 415,000 shares remaining in the treasury, leaving 350,000 shares there on the completion of financing.

The Ontario Securities Commission granted the company a hearing to pass on its request for the release of 50,000 shares for working capital purposes. The Commission consented to the release of the above shares on July 28, 1937, and Canadian Slate Products hopes to dispose of them in order to strengthen its liquid position, and to carry on operations.

Ventures

I can't understand the quotations in The Financial Post as regards the high and low for Ventures. You show low at about $6 whereas I myself purchased Ventures stock as low as $3 a share. Is this a misprint?

We think the confusion in connection with the high and low price for Ventures stock is due to the fact that you are referring to the old stock, whereas the high and low quotations published by The Financial Post refer to the new.

At the annual meeting held in April, shareholders approved a plan to reduce the number of shares outstanding and shareholders are receiving one new share for every five shares of the former issued capital. Trading on old stock ceased May 28, 1937, and started on the new stock on May 29, 1937. Thus, when you purchased the stock at over $3 per share, in March, 1937, you were purchasing the old stock.

Alberta's Oil Production Increased During Summer

the Alberta oil fields totalled 226,000 barrels according to the report just issued by the Alberta department of lands and mines. Of this total the Turner Valley field produced 222,455 barrels.

Since July figures were reported Richland three has come in with a production of 600 barrels a day; Monarch, which came in late in July, is yielding over 700 barrels a day; the B. and B. well yield has been increased to approximately 1,000 barrels daily through acidization; and Royalite Sterling Pacific 5, the valley's largest producer, is yielding more than 1,200 barrels daily. The last named well had not been completed in July.

Detailed production figures follow:

Turner Valley Limestone

	Bbls.
Advance	1,896
B. and B.	17,911
British Dominion	2,287
Century	3,324
Foundation	15,002
Model	5,030
Monarch	6,395
Ster. Pac. 3 and 4	47,215
T. V Royalties	37,236
Westside	14,067
Anaconda	343
Associated	164
Baltac	61
Carleton	542
Dalhousie	354
Director	349
East Crest	*100
Foothills	473
Highwood-Sarcee	1,532
Hylo	382
Longview C. and E.	86
Lowery	102
Marjon	248
Mercury Miracle, etc.	10,516
Merland	257
Newfold	203
Pacalta	241
Publix	*75
Renfrew	618
Richfield	94
Royalite	43,066
Southwest	82
Sovereign	1,372
Spooner	228
Ster. Roy.	369
Structure	162
Union Freehold	354
Not otherwise included	9,359
Total	222,455

*Estimated.

Turner Valley, Shallow Crude

Dalhousie	60
McDougall-Segur	* 487
McLeod	214
Royalite	38
Widney	118

Red Coulee, Light Crude

O'Neil	215
Vanalta	1,027
Total	1,242

Wainwright, Heavy Crude

Bethwain	70
British Wainwright	103
Edmonton Wainwright	286
Sasko Wainwright	286
Wain.-Con.	331
Wain. Pet.	110
Total	1,180
Dina, heavy crude	206

Recapitulation

Turner Valley, Limestone	222,455
Turner Valley, Shallow Crude	917
Red Coulee, Light Crude	1,242
Wainwright, Heavy Crude	1,180
Dina, Heavy Crude	206
Total	226,000

COTTON FABRICS AND YARNS
TEXTILE DOMINION CO. LTD.
COLONIAL Sheets and Pillow Slips
MAGOG Fastest Fabrics
DOMINION TEXTILE COMPANY, LIMITED
THE TEXTILE BUILDING, VICTORIA SQUARE, MONTREAL

Bowcock, Hackett & Morgan
Members The Toronto Stock Exchange
Telephone: Adelaide 0525
320 Bay Street - Toronto

MILD AND SMOOTH..
"EXPORT" PLAIN ENDS MOISTUREPROOF PAPER
EXPORT "A" FILTER TIPS
● Made from the finest Virginia Leaf—a cigarette that has won nation-wide popularity because of its uniform goodness.

Gold Standard
100% IMPORTED LEAF

MACDONALD'S "EXPORT"

DUNCANSON. WHITE & Co.
Stock Brokers
Members Toronto Stock Exchange
Canadian Commodity Exchange, Inc.
New York Curb (Associate)
15 KING STREET WEST, TORONTO. WA. 3401

STEEL STRUCTURES
RAILWAY AND HIGHWAY BRIDGES
PLATE AND TANK WORK
ELECTRIC AND HAND POWER CRANES
HYDRAULIC REGULATING GATES AND OPERATING MACHINERY
Caissons, Barges, Coal and Ore Bridges, Liftlocks, Turntables, Gear Cutting, General Machine Work, Forgings.
DOMINION BRIDGE COMPANY LIMITED
HEAD OFFICE . . LACHINE (MONTREAL) QUE.
BRANCH OFFICES AND WORKS:
MONTREAL OTTAWA WINNIPEG VANCOUVER
AMHERST TORONTO CALGARY
AGENCIES: EDMONTON REGINA

WHEN YOUR MACHINE WAS just a piece of paper

. . . its lubrication was as carefully planned as its size, weight, and balance . . . and the chances are 3 to 1 that Gargoyle Industrial Lubricants were approved for its use!

WHEN the machines in your plant are planned . . . chances are that Socony-Vacuum engineers "sit-in." And very likely Gargoyle Lubricants are recommended for their efficient lubrication.

Here are good reasons why 80% of America's machinery builders approve the oils and greases trade-marked with the Red Gargoyle: they offer power savings, decreased maintenance, improved production, lower annual oil bills. 110 different industries—standardize on Gargoyle Lubricants. Their reasons: better machine efficiency and savings in plant operating costs.

Encourage your staff to co-operate with our engineers. You will find it profitable.

Gargoyle Industrial Lubricants are made by the makers of Mobiloil—the world's quality motor oil.

This Trade Mark is backed up by an exclusive asset—over seventy years' experience.

GARGOYLE Lubricants

Marketed in Canada by
IMPERIAL OIL LIMITED
St. John Halifax Montreal Toronto Hamilton Winnipeg Regina Saskatoon Calgary Edmonton Vancouver
Manufactured by SOCONY-VACUUM OIL COMPANY INC.

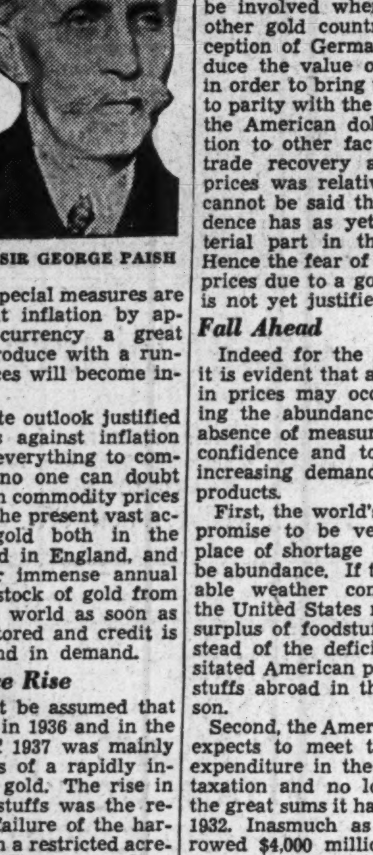
Heading off the Next Crash

In his fifth and final article Sir George Paish sees the possibility of the world accomplishing now what could not be accomplished immediately after the war when feelings of hatred were so acute. He visualizes an entirely new international spirit of friendship which will form a basis for overcoming economic dangers and building up a permanent prosperity.

Paish Sees Economic Danger Signals— Proposes World Conference

By SIR GEORGE PAISH

Greatly increased prosperity in the United States and in the food producing nations in general in 1936, and the early months of 1937, has created the impression that trade both home and foreign is now well on the way to recovery, and that the rise in prices which has resulted will be followed by a further rise in the coming months in consequence of the immense stock of gold accumulated in the United States and the great stock in England. Indeed in the United States there is a general impression that unless special measures are taken to prevent inflation by appreciating the currency a great speculation in produce with a runaway rise in prices will become inevitable.



SIR GEORGE PAISH

If the immediate outlook justified such precautions against inflation there would be everything to commend them for no one can doubt that a great rise in commodity prices will result from the present vast accumulation of gold both in the United States and in England, and from the further immense annual additions to the stock of gold from the mines of the world as soon as confidence is restored and credit is both available and in demand.

Factors in Price Rise

But it must not be assumed that the rise in prices in 1936 and in the earlier months of 1937 was mainly due to the effects of a rapidly increasing stock of gold. The rise in the price of foodstuffs was the result of a serious failure of the harvests, coupled with a restricted acreage, in the United States, as well as to a deficient wheat crop in Europe. Inasmuch as this shortage of the crops caused the excessive surplus of wheat over from previous years completely to disappear and brought about a scarcity of supply, a great rise in food prices was inevitable. But it had nothing to do with the increasing supply of gold.

Again it should be understood that the increase of buying power in the United States, notwithstanding the failure of the crops, was caused by the very large credit expenditures of the American Government including the bonus to War Veterans and that this special buying power also had a marked effect upon prices.

Moreover anticipations of war in Europe raised expectations that prices might again rise to the level they reached during the Great War and caused large purchases of raw materials by manufacturers and speculators with borrowed money.

Lastly a greatly increased demand for metals for rearmament purposes brought about a very rapid rise in metal prices.

There was some increase of confidence as a result of the avoidance of another currency war in which America and Great Britain would be involved when France and the other gold countries, with the exception of Germany, decided to reduce the value of their currencies in order to bring them much nearer to parity with the British pound and the American dollar. But in relation to other factors this cause of trade recovery and of advancing prices was relatively small, and it cannot be said that renewed confidence has as yet played any material part in the rise in prices. Hence the fear of a runaway rise in prices due to a gold credit inflation is not yet justified.

Fall Ahead

Indeed for the following reasons it is evident that another severe fall in prices may occur notwithstanding the abundance of gold in the absence of measures to re-establish confidence and to bring about an increasing demand for the world's products.

First, the world's harvests of 1937 promise to be very large and in place of shortage there is likely to be abundance. If the present favorable weather conditions continue the United States may have a large surplus of foodstuff for export, instead of the deficiency that necessitated American purchases of foodstuffs abroad in the past crop season.

Second, the American Government expects to meet the whole of its expenditure in the coming year by taxation and no longer to borrow the great sums it has borrowed since 1932. Inasmuch as in 1936 it borrowed $4,000 millions and in 1937, and in subsequent years, expects to raise the sum required for its expenditures by an increase of something like $3,000 millions in taxation, it will be realized that unless confidence returns and private credit expenditures take the place of the recent public credit outlays, the buying power of the American people will decline and that in consequence of reduced demand trade will suffer and prices of commodities decline.

Third it is evident that the nations of Europe and of other continents cannot indefinitely continue to live on Government credit to the extent they are now doing and that if the Government credit expenditures, particularly in Europe and in Japan, have to be curtailed before private credit is restored trade is likely to show renewed decline and consequently a reduced demand for commodities will inevitably be experienced.

World Conference

Indeed it is the danger of another world breakdown in consequence of a fresh recession in trade throughout the world accompanied by a renewed fall in prices that makes it so necessary to convene a world conference without delay for the purpose of determining policy and taking the necessary steps to strengthen confidence, to increase the demand for commodities of all kinds, and to maintain prices at a reasonable level.

It is this situation that demands the restoration of currencies to a more reasonable level, the removal of all hindrances of trade, the reopening of the world's capital and money markets to world needs and generally the adoption of a policy of appeasement, of co-operation, and of understanding with the least possible delay.

In giving consideration to this all important matter, everyone concerned must realize that fundamentally the situation today is more dangerous than it was even in 1931 and 1932. Five years ago many nations had large reserves of Government credit to which they were able to resort in order to maintain the buying power of a large percentage of their people. Today these reserves of Government credit have been largely exhausted and were a fresh collapse of trade and income to occur, the governments would not be able to support the situations and to create buying power in the various countries as they have been able to do in the past five or six years, and in the absence of such support a situation of still greater gravity would arise.

Recovery or Chaos

Thus a careful analysis of fundamental conditions indicates that never was the situation more critical than it is at the present time and never was there greater need of wisdom and courage in the councils of the nations. In former times individual nations and even groups of nations had to confront situations of great difficulty, but never was the entire world in the state of danger it is in today. Upon the decisions now taken will depend not merely the happiness but it may be the lives of great numbers of people in practically every country who depend upon the efficient functioning of the world machine for their incomes and their purchasing power, and who in the event of that machine coming very near to a complete standstill would be in great distress.

The first thing to be understood is that the economic danger does not arise from any lack of productive power for it is evident that the world's capacity to produce everything needed by the peoples of all nations has never been greater than at present.

The second factor to be realized is that the danger comes from lack of power to buy what the world is already equipped to produce and the still greater quantities it is capable of producing.

Thirdly that this lack of buying power arises from political, indeed racial causes as well as from mistaken economic and financial policies.

Fourthly that the difficulties are almost insuperable as long as Governments refuse to accept the new world order, which the progress of science has introduced and continue to pursue policies, both national and international, out of step with and indeed antagonistic to the modern world of co-operative effort.

The question is not will the necessary change of mentality and outlook of Governments take place, but how much suffering will the peoples of all nations be willing to endure before the men and women of knowledge and understanding—statesmen, politicians, merchants, bankers, co-operatives, and people of every class, exert their influence and use their resources and their energy to place in power Governments of sound mentality and of right outlook? That such action by the informed and understanding is needed without delay if great suffering is to be averted cannot be contested.

Reasonable Attitude

The great economic distress likely to be experienced by every nation in Europe, when the ability of the various Governments to supply buying power to their peoples by the creation of Government credit comes to an end, and the increasing danger of revolution and war, would seem now to be causing the nations to become more reasonable in their attitude to each other and to be much more willing to co-operate for their common good and for the prevention of the disasters with which they are threatened.

Consequently there is now the possibility of accomplishing what could not be accomplished at the end of the war when the feelings of hatred were so acute, after a conflict of such duration and intensity. Indeed under a powerful lead from the right thinking nations there is now the opportunity of introducing that policy of co-operation among the European nations which is essential to the solution of their economic difficulties, the creation of an atmosphere of goodwill, the removal of injustices, and the maintenance of peace.

Indeed if the opportunity afforded by the present conditions of distress is taken advantage of, an entirely new spirit of friendship may be created by a policy of helpfulness and consideration which will enable the difficulties to be overcome and which at long last will bring in that era of peace, of prosperity and of happiness.

Legal & Professional Directory

Victor A. Sinclair, K.C.
Formerly Chairman, Workmen's Compensation Board, Ontario.
Special attention Workmen's Compensation, Social Insurance, Life Insurance, Corporation and Commercial Law.
1503 Canada Permanent Bldg.
TORONTO, CANADA

Pitblado, Hoskin, Grundy, Bennest and Drummond-Hay
Pitblado, Hoskin, Turner McEwen and Alsaker
Barristers, Solicitors, Etc.
Hamilton Building
WINNIPEG, CANADA

CHARTERED ACCOUNTANTS

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
TORONTO
KIRKLAND LAKE
ONTARIO

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
FEDERAL BUILDING
TORONTO
GALT
KITCHENER

RONALD, GRIGGS & CO.
Chartered Accountants
Winnipeg
Saskatoon

RUTHERFORD WILLIAMSON & CO.
CHARTERED ACCOUNTANTS
RUTHERFORD WILLIAMSON, F.C.A. HAROLD A. SHIACH, F.C.A.
TORONTO, MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

ROBERTSON, ROBINSON, McCANNELL & DICK
CHARTERED ACCOUNTANTS
D. H. McCANNELL—Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Ottawa
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

McDONALD CURRIE & CO.
CHARTERED ACCOUNTANTS
Montreal Toronto Quebec Ottawa

'We're Not Squeamish'

C.I.O. Organizer Unburdens His Mind — Recognizes Law Only "As Long as It Doesn't Interfere With Our Plans" — Workers "Gently Coerced"

A remarkably revealing insight into the methods of John L. Lewis's Committee for Industrial Organization and kindred bodies is given in a frank confession in The Forum, a United States magazine, by an anonymous C.I.O. organizer.

Some of the basic principles set forth in the confession are already being employed in Canada to a limited degree.

Digest of Confession

Following are particularly striking extracts from the article:

"As an organizer, I advocate to men and groups of men some things that I do not entirely believe myself.

"I first gained confidence and prestige among my fellow workers simply because I possessed the loudest voice and a militant deportment to back up the voice. They found in me a man who would go to the front for them. In the old days, prospects used to be hard to get, but since Roosevelt told labor to organize, the thing is amazingly simple, and we find difficulty in contacting all those eager for organization. We are doing much to create a class consciousness of the laboring people.

"The organizers' main task is to attend meetings at any hour of the day and make speeches, which we can repeat in our sleep, and help settle grievances when called into a plant by a grievance committee. Most of the actual organizing is done by the men employed in the plants—at noon hour, before and after work, and in many cases during working hours. These men get the members, and we collect the money.

"Gentle Coercion"

"Of course, we suggest subtle means by which they can surround the enemy and bring him back alive, should he prove balky. These methods are not actual force—just gentle coercion. As union business is big business and growing bigger daily, we are not squeamish about the methods used to gain our ends.

"Sit down tactics are really force and a violation of property rights, which is against the law. But we recognize the law only as long as it doesn't interfere with our plans; after that we ignore it. That men are exploited to make John L. Lewis, director of the C.I.O., a bigger man does not cause us organizers to lose any of what valuable sleep we are able to obtain.

C.I.O. and Communists

"We are accused of harboring Communism in our ranks. We do not deny this. We are, we figure, an economic movement—not religious, racial or political—and we welcome anyone to membership as long as he agrees to support our stand and pay his dues regularly. As the Communists grow greater in number—if they do—they may change things, but for the time at least we have them under control.

"The real aim back of all the money and effort that the C.I.O. is expending is to build a labor empire, with John L. Lewis at the helm, to control both labor and industry. In this the C.I.O. recognizes no human right. Men were badly exploited in the General Motors and Chrysler strikes (U.S.) and we were really fighting for an ambitious but small group of men.

"Our methods of selling are trite, but apparently as good as ever. We pound home the idea that all capitalists and employers are wolves waiting for the sheep (who are the workers) to come to the pasture (which is the factory). We have made a big play for the establishment of equality for the laboring man (with his employer). It is easy to point out that conveyor systems and the speed-up are virtually sucking their life blood from them and that by organization they can change these things to better methods of their own.

"It is a tough racket and a bitter business, whichever side you happen to belong to. Like myself, most organizers rose from the working class, and I solace myself with the thought that, if I can't advance, I can retreat into the factory again. Then pretty soon someone else will come around and give me the sales talk, filled with verbosity and sophistry that I am dishing out today."

J. M. Dunwoody, C.A.
C. W. Nicholl, C.A. Thos. E. Saul, C.A.
DUNWOODY, NICHOLL, SAUL & CO.
CHARTERED ACCOUNTANTS
Winnipeg, Man., and Fort Frances, Ont.

Cawthra Apts. Preferred Holders Approve Plan

Holders of more than the required 66 2/3% of the outstanding preference shares of Cawthra Apartments Ltd., Toronto, voted on Aug. 30, 1937, in favor of the issue of new common stock to holders of the company's five-year notes. Holders of $29,750 of these notes will receive one common for each $7 of notes held in full settlement of their claims.

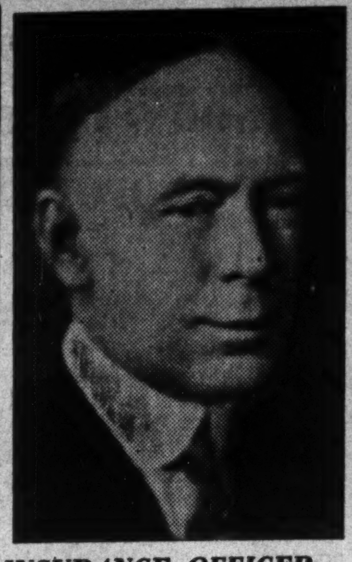
Preference shareholders are given two votes per share and have exclusive voting rights at any time that the company, after June 1, 1937, shall have failed to pay four half-yearly dividends on the stock.

Dominion Coal Output 161,627 Tons Higher

From Our Own Correspondent

MONTREAL. — Production of the Dominion Coal Co. for the first eight months of the year totalled 2,570,385 tons, an increase of 161,627 tons over the corresponding period of 1936.

During the month of August 401,503 tons were raised, a reduction of 12,000 tons from the previous month.



INSURANCE OFFICER

Arthur E. Fisher, superintendent of insurance for Saskatchewan since inception of that office 25 years ago, who was recently elected president of the Association of Superintendents of Insurance.

Experts Discuss Labor Relations

Second Annual Conference Planned at Kingston

The varied aspects of industrial relations from the points of view of employers, personnel managers, government officials, and university authorities, are being discussed at the second Conference on Industrial Relations at Queen's University, Kingston, during the latter part of this week.

The first conference was held at the same place a year ago under the joint sponsorship of the university and the personnel associations of Montreal and Toronto. This year, the sponsorship and direction of the gathering has been assumed entirely by the university, though with full co-operation from the two associations.

Participating in the present conference are Hon. Norman Rogers, Federal minister of labor, and officials of his department; delegates from university departments concerned with the problems under discussion; employment managers, personnel directors, and labor relations experts from leading industrial concerns; and representatives of research organizations in the fields of industrial operation and labor treatment.

The agenda will be similar to that of last year, when debate centred on the selection, training and satisfaction of workers. The conference is under direction of Prof. W. A. Mackintosh and A. W. Currie, of Queen's University.

Speakers during the sessions, which are being held in camera, include Mr. Rogers, on avoidance of industrial conflict; Prof. V. W. Bladen, University of Toronto, definition of an economic wage; E. J. Young, chairman, Ontario Industry and Labor Board, labor legislation; F. M. Morton, vice-president, International Harvester Co., Hamilton; and George Hodge, chief, personnel department, Canadian Pacific Railway.

At various meetings, chairmen will be Principal R. C. Wallace, of Queen's, Professor Mackintosh; H. H. Stedman, of the Swift Canadian Co., president of the Toronto Personnel Association; J. H. Brace, western general manager, Bell Telephone Co.; and Tom Moore, of the National Employment Commission.

Huge Air Network Built in 18 Years

British Air Services Now Cover 30,000 Miles

In the 18 years since the first British air service was established in August, 1919, the mileage of the European and Empire routes covered by British air transport operations has achieved the phenomenal expansion of from 250 to 30,000 miles, according to a recent Imperial Airways bulletin.

The 250-mile run, from London to Paris, was the world's first daily air service for the carriage of passengers and freight. In 1919, it cost over $1 to send a letter from London to Paris. The recently inaugurated service from England to South Africa, a distance of 8,000 miles, carries half-ounce first-class mail for only three cents.

The first London-Paris airplane carried a pilot and two passengers and travelled only 80 miles an hour. The "Ensign" type air liner now being completed for Imperial Airways will carry a crew of five and 40 passengers, travelling at a speed of 200 miles an hour. Similar progress has been made in regard to flying boats and seaplanes.

BONDS and stock certificates are tokens of ownership so devised as to permit legal transfer from person to person. Since before Confederation this Old Canadian Company has specialized in the engraving and printing of such securities for governments and corporations.

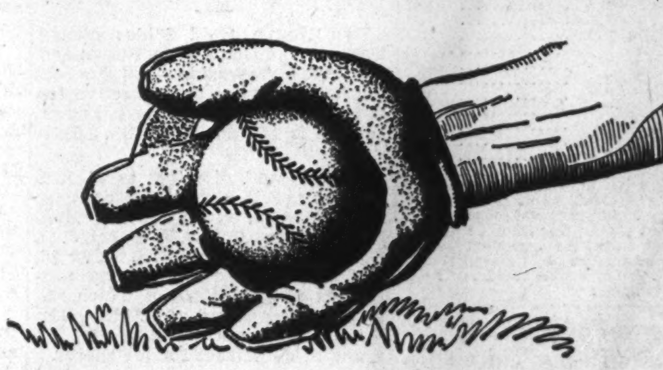
BRITISH AMERICAN BANK NOTE COMPANY
LIMITED
HOWARD W. PILLOW
President
CHARLES G. COWAN
Vice-Pres. & Man. Dir.
G. HAROLD BURLAND
Sec.-Treas.
HEAD OFFICE: OTTAWA
262 Wellington Street
511 Place d'Armes
MONTREAL
1110 Bank of Hamilton Bldg.,
TORONTO

PRACTICALLY
Eliminates
ENGINE-WEAR
DUE TO OIL FILM RUPTURE
★ This New
OIL
DISCOVERY
Provides
TRIPLE FILM STRENGTH
RED INDIAN
Aviation Oil
for MOTOR CARS

Compare These Scientific Facts
Using the finest mineral oil, test bearings seize under a pressure of
4,000 lbs. per square inch
with CLARALLOY added, the same oil withstands test bearing pressures of
12,000 lbs. per square inch

★ CLARALLOY is a super-refined chemical, which when added to pure mineral oil: (1) triples the film strength, (2) makes it cling more closely to metal surfaces, and (3) increases its "oiliness" assuring adequate lubrication under all operating conditions.

McCOLL - FRONTENAC OIL COMPANY LIMITED
3710A
AN ALL-CANADIAN COMPANY



"Of course they mean it"
Overheard between innings

First fan: : : : what? Oh, yes : : : I've been reading them. It was a good solid point they made in that last advertisement.

Second fan: I'll admit that . . . but I was just wondering if even now the whole story is being told?

First fan: You mean, are the Brewers just being selfish? Well I'd say of course they are. But I also think that this is a case where private interests and the public good are one and the same thing.

Second fan: How can you figure that?

First fan: This way: it's to the *public* good to promote moderation, to foster true temperance, to keep a few agitators from trying to block an adequate trial of a soundly written law.

Second fan: Of course, but : : :

First fan: And at the same time, even on the most selfish basis the Brewing Industry must support temperance education . . . because the drunkard and the bootlegger are their most dangerous enemies!

Second fan: But aren't there regular temperance organizations?

First fan: Yes, but the worst of it is that instead of teaching true temperance, which is *self*-control . . . instead of realizing that properly supervised beverage rooms are the best defence against the excesses *everybody* wants to avoid . . . the prohibition extremists clamour for changing the rules to *force* people to be "good". Which is not only un-British and undemocratic . . . but it won't work!

Second fan: At least it seems like a good thing that *both* sides of the story should be told.

● *This advertisement is inserted by the Brewing Industry in the interest of a better public understanding of certain aspects of the problems of temperance and local option.*